

May 28, 2021

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai 400 023 Stock Code: 533229	Listing Compliance National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, 'G' Block Bandra- Kurla Complex Bandra East, Mumbai 400 051 Stock Code: BAJAJCON
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Dear Sir/Madam,

Sub: 15th Annual General Meeting of the Members of the Company

The Fifteenth Annual General Meeting ("AGM") of the Company will be held on Monday, June 21, 2021 at 11:00 A.M. IST through Video Conferencing/Other Audio-Visual Means.

Pursuant to the General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 02/2021 dated January 13, 2021, issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by SEBI, due to COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). The Notice and the Annual Report are being electronically dispatched through the platform of our RTA KFin Technologies Private Limited on May 28, 2021.

Pursuant to Regulation 34 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report for the financial year 2020-21 containing, inter alia, the Notice convening the 15th Annual General Meeting of the Company.

The Annual Report is available on the website of the Company and that of KFin Technologies Private Limited, RTA of the Company.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours Sincerely,
For Bajaj Consumer Care Limited



Chandresh Chhaya
Company Secretary & Compliance Officer
Membership No.: FCS 4813

Encl: as above

Bajaj Consumer Care Ltd

(Formerly Bajaj Corp Ltd)

117, 11th Floor, Bajaj Bhavan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai - 400021

Tel.: +91 22 22049056 / 58 / 8633 | CIN: L01110RJ2006PLC047173 | Web: www.bajajconsumercare.com

Registered Office: Old Station Road, Sevashram Chouraha, Udaipur- 313 001, Rajasthan

Tel.: +91 0294-2561631, 2561632



Unified in Intent | Diverse in Talent | Working as One

T E A M

Our CSR Initiatives 2020-21



Well recharge is a simple low-cost technique to recharge the ground water which in turn increased the cropping intensity and productivity.



Construction of Roof Rainwater Harvesting structures ensures easy availability of pure, fresh and safe drinking water at doorsteps.



Various income generation trainings were conducted to strengthen the livelihood of the rural women.



Biogas provides clean non-polluting easy fuel. It also impacts positively on the health of rural population. One-time investment in biogas plant gives lifetime free fuel for cooking.



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Board of Directors

Mr. Kushagra Nayan Bajaj

Non-Executive Chairman

Mr. Jaideep Nandi

Managing Director

(w.e.f. from July 01, 2020)

Mr. Sumit Malhotra

Managing Director (upto June 30, 2020)

Director & Advisor (w.e.f. July 01, 2020)

Mr. Aditya Vikram Ramesh Somani

Independent Director

Mr. Dilip Cherian

Independent Director

Mr. Gaurav Dalmia

Independent Director

Ms. Lilian Jessie Paul

Independent Director

Mr. D. K. Maloo

Chief Financial Officer

Mr. Chandresh Chhaya

Company Secretary & Compliance Officer

Statutory Auditors

Sidharth N. Jain & Co.

Chartered Accountants

Secretarial Auditors

A.K. Jain & Co.

Company Secretaries

Bankers

Kotak Mahindra Bank Limited

Corporation Bank

HDFC Bank Limited

Citibank N.A.

Registrar & Transfer Agent

KFin Technologies Private Limited

Selenium Building, Tower B, Plot No. 31-32,
Gachibowli Financial District, Nanakramguda,
Hyderabad – 500 032

Chairman's Message



Dear Shareholders,

We are faced with an unprecedented health hazard posed by the COVID – 19 that has largely disrupted individual lives, families, and business operations across the world. It has proved to be an exceptionally difficult time, with many losing their loved ones to this dreaded disease. My heartfelt condolences and deepest sympathy to anyone that has had to go through this loss. All of us have faced a deep personal crisis at some level or the other. My prayers that we emerge from this horrific crisis soon.

On that sombre note, I would like to present to you the Annual Report FY 2020-21 of the Company.

Macro-Economic Outlook

Economic recovery is under severe threat amid surging COVID cases and lagging vaccination in the economically weaker countries. Several factors have contributed to cast doubts on the earlier predicted 5.4% global growth in 2021. Though China

and the United States seem to be leading growth trends, the United Nations forecasts that the spiking COVID – 19 cases and the less than efficient implementation of the vaccination program in other countries remains a looming threat to world economy. For many countries, economic output is only projected to return to pre-pandemic levels in 2022 or 2023. The only path to a definite recovery for both the economy and people is the availability and implementation of a robust vaccination program in all regions across the globe.

Global trade though growing, is still seeing an uneven recovery. While services, especially tourism, hospitality and international travel will continue to see de-growth from the pre pandemic levels, commodities, products and manufactured goods are growing. Economies that are primarily manufacturing-led, are doing better.

India's GDP growth forecast has been cut from the earlier projected 13.7% to 9.3% for fiscal 2021 due to the negative impact of the second wave of Covid-19. Retail inflation slipped to a three-month low of 4.29% cent in April. The Consumer Price Index (CPI) based retail inflation stood at 5.52% cent in March. Food price inflation eased to 2.02% cent in April from 4.87% in the preceding month.



While we continue to drive productivity and implement safety measures, we will focus on innovation led growth to weather this crisis which is bound to have a lasting impact on all of us. We aspire to evolve into a complete FMCG company by introducing a culture of innovation to create newer path breaking products for consumers across the globe.

FMCG Sector

Industry experts have pegged the growth of the Indian FMCG industry at 9.4% in the January-March quarter of 2021. This is primarily due to growth in consumption and value growth due to increase in prices. The rural market continued to perform with strong growth of 14.6 % during the first quarter especially due to good Rabi harvest and normal monsoon projection are the key factors resulting in a boost in rural demand. Recent government interventions like increased allocation towards MGNREGA and an extension of Pradhan Mantri Gareeb Kalyan Yojana also helped pump in nearly ₹ 1.5 Lac Crore into rural markets.

According to industry reports, the metro cities have registered a positive growth of 2.2 per cent in the January-March quarter after two-quarters of the declining trend versus the year-ago period.

However, with the resurgence of the COVID-19 virus and the return of lockdowns the situation is very dynamic and pointing to a likely global depression.

Company performance

Today, Bajaj Consumer Care is firmly established as a dominant player in India's hair oil industry, with a pan-India presence, well-diversified product basket and multiple brands. Your Company's flagship brand, Bajaj Almond Drops Hair Oil is a leading name in the Hair Oil market. The brand continues to maintain strong dominance on the distribution front and is present across 42.6 Lacs outlets as of March 2021. Your Company also owns the Nomarks Brand in India.

The overseas business of your Company is increasing its global footprints with a focus on international business in terms of penetration, accessibility & availability of the brands to the consumers. The Company markets personal care brands in more than 30 countries, with primary focus in SAARC, Gulf & Middle East, ASEAN, and African regions.

In this negative growth phase, Bajaj Almond Drops has been able to maintain the market on value 9.8%. (MAT FEB'21). In the Light Hair Oil category, the brand has continued to increase its dominance and the value market share has increased by 1.9% to 62.5%. (MAT FEB'21)

Research and Development

Innovation and creativity is imperative to your Company. We constantly strive to keep ahead of the value chain so that we are able to meet the constantly evolving needs of our customers. The advanced research techniques of your Company have ensured that we are constantly on our toes

to work on innovate new product categories to provide simple yet tangible benefits to consumers. It achieves this through its two state-of-the art and modern R&D facilities which is supported by advanced instrumentation and pool of experienced scientists. Your Company's strategic objective is to drive successful innovations in products and processes consistently and to be prepared for the future. It constantly adopts newer techniques and mechanisms to optimise its productivity and optimally utilise resources focused on delivering products that are value for money and keeping pace with the demand.

Brands

Bajaj Almond Drops Hair Oil

Your Company launched the NEW BEST EVER ALMOND DROPS hair oil with upgraded formulation in FY 2020-21. The Vitamin E content was doubled from previous formulation to 6x Vitamin E Levels as compared to coconut oils. Our research has shown that the new formulation helps reduce hair fall by upto 80%.

Bajaj Amla Aloe Vera

The new product Bajaj Amla Aloe Vera was launched in February 2021. This product has a completely new formulation with a winning combination of Amla and Aloe Vera. The packaging is modern with the shape of a bottle inspired by the design of a leaf to signify the purity of nature in the product. The product provides 3X softness and silkiness to the hair. There are no other brands today that offer an aloe vera variant at the price it has been made available at.

Bajaj Zero Grey

Bajaj Zero Grey is a new Premium Anti Greying Hair Oil and our digital first brand that has been launched primarily for E-commerce. With well-researched ingredients like Onion, Hibiscus, Shikakai, Henna and Kalaunji it delays greying and gives users great looking healthy hair. The launch was a first of its kind for your Company that was marketed primarily through social media campaigns to build reach and awareness.

Strategy

Distribution is a key strength of your Company that has an extensive distribution network across India through which its products are made available across more than 4 million outlets. This extensive supply chain network insulates your Company from geographical, trade channel and segmental concentration risks. While your Company continues to strengthen its retail presence, it has also undertaken a unique initiative of introducing Vans to

enhance rural coverage. These vans carry lower unit packs (₹ 10 – ₹ 20) of products which find greater acceptance among rural consumers.

COVID-19 has pushed us to accelerate our digital transformation on all aspects of your Company. We have fast-tracked our digital transformation journey and continue to enhance productivity and creativity through digital initiatives. Our focus on E-Commerce remains steadfast and continues to help us grow. Our E Commerce business has grown by more than ~3x contributing to more than 2.5% of Sales.

With continuous presence over TV and OTT platforms, your Company has enhanced specificity in reach. It has constantly been focused on impactful marketing and brand promotion activities relating to Vocal for Local and has successfully strengthened brand equity while attracting new consumers. Its strategic brand launches and brand extensions are aimed at retaining the existing consumers, besides constantly garnering a new set of loyal customers.

Your Company is placed competitively in the industry and is determined to grow market share and profitability sustainably through focus on developing top-notch products coupled with extensive advertising and promotional campaigns.

Employees & Organization Culture

At Bajaj Group, we firmly believe that employees are our biggest assets. Their safety and good health has been my top priority during these tough times. No measures like downsizing of team or reduction in their salaries were adopted by the Company during this time of crisis. Moreover, annual increments have also been approved and disbursed as per plan. Employee Health and Safety being our utmost priority we have implemented several initiatives in this regard within our Company:

- 1) Work from Home polices prior to lockdown across our Offices and other locations based upon the nature of operations.
- 2) Employee vaccination program on reimbursement basis for our employees, their families and to the contractor's workforce working with us.
- 3) Employee hospitalisation and medical support for critical emergency cases across units.
- 4) Isolation Centres across units to quarantine infected employees to avoid further contamination and spread of the virus.

- 5) Launched the Employee Benevolent Fund scheme from 1st April 2021 for one time financial support to bereaved families in case of the demise of any employee while in service.

Your Company has organized several initiatives to keep the employees both mentally and physically fit during these tough times. I am happy to inform you that your Company has been certified as a "Great Place to Work" consecutively for the third time for the period April 2021 till March 2022. The Trust Index score of the survey results for the year has significantly moved up and have crossed the '80's level, validating the efficacies of our developmental journey for employees.

Responsibility towards Society

The Bajaj Group was born out of India's struggle for freedom, founded by the freedom fighter, philanthropist and close confidante of Mahatma Gandhi, Jamnalal Bajaj ji. We strive every day to follow his legacy to build businesses that support the growth of the country and create value while serving the community in everything we do. Your Company undertakes its CSR initiatives through the Bajaj Foundation. The Foundation works in villages in areas of education, farmer welfare, women empowerment, sustainability and water conservation. I wish to thank our villagers, government agencies and all stakeholders for their support which has ensured that we have impacted nearly 1,300 villages, reached close to 3.5 lacs families benefitting almost 15 lacs people in 2020. We hope to increase these numbers in the coming days.

Way Forward

The COVID-19 pandemic, while completely changing the way we live and do business, has also given us an opportunity to be innovative in our approach. While we continue to drive productivity and implement safety measures, we will focus on innovation led growth to weather this crisis which is bound to have a lasting impact on all of us. We aspire to evolve into a complete FMCG company by introducing a culture of innovation to create newer path breaking products for consumers across the globe. We want to be recognized as providing innovative solutions to solve tomorrow's problems for our customers.

We aspire to be a community of excited, imaginative and persistent people. A culture that embraces the new and constantly pursues progress. A Company that thrives on change and innovation.

With warm regards,

Kushagra Nayan Bajaj

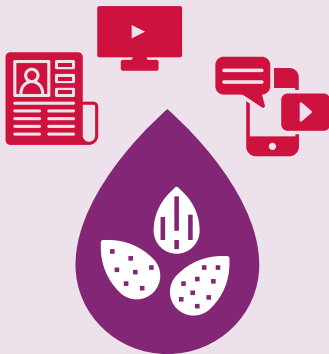
Innovating to Sustain a Connect with Consumers

For the FMCG sector, product development, innovation and advertising are the mainstays to grow continuously and stay relevant. It is a crowded market with multitudes of Brands vying for consumer attention and mindshare and rapidly evolving trends. Bajaj Consumer Care has consistently been proactive in refreshing its product portfolio and advertising to keep pace with today's demanding consumer.

Major Brand Revamp for Bajaj Almond Drops Hair Oil

We reformulated ADHO in FY 2020-21 to provide our consumers extra nourishment for their hair. The new formulation now has 6x Vitamin E content levels as compared to ordinary (unbranded) hair oil. The new formulation helps reduce hair fall by up to 79%!^{*}

We launched the brand with **360-degree** activation across TV, Print, Digital and On Ground Activation.



^{*}Basis instrumental studies vs un-oiled hair conducted in external lab in September 2020. Individual results may vary.

Less hair fall makes every day,
a new hair day.

bajaj
ALMOND DROPS
NON STICKY HAIR OIL

OUR BEST EVER
bajaj
ALMOND DROPS
6x VITAMIN E[®]
NOURISHMENT
NON STICKY HAIR OIL

**6x
VITAMIN E[®]**

^{*}Based on instrumental studies vs un-oiled hair conducted in September 2020. Individual results may vary.
^{**}As compared to ordinary (unbranded) hair oil

New Campaign for ADHO

This campaign combined celebrity endorsement with the enhanced benefit of the new formulation that delivers substantially greater efficacy and benefits.

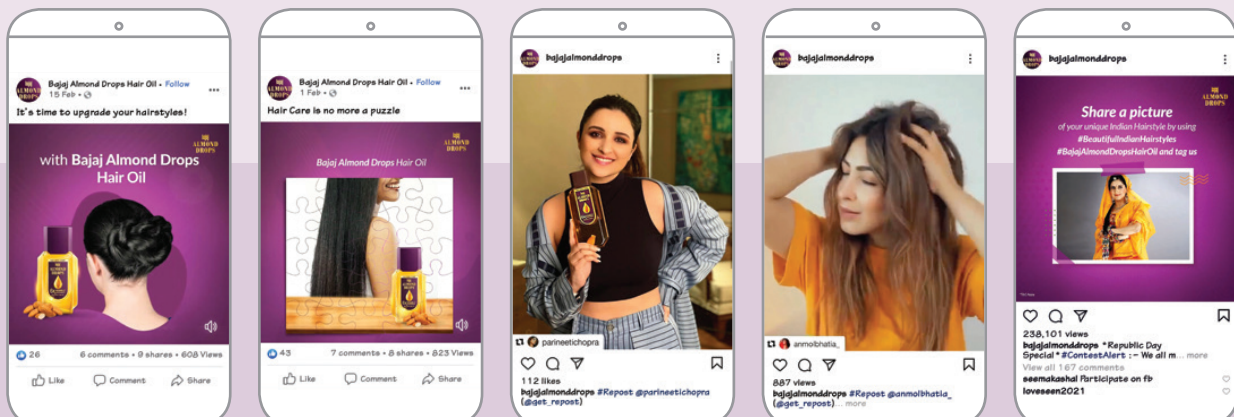
The new commercial struck a chord amongst audiences on critical parameters such as Likeability, Relevance and Purchase Intent.



Connecting with youth audiences through Digital

Social media platforms like Facebook, Instagram, YouTube etc. were used extensively to connect with the young audience and highlight the enhanced Vitamin E content of ADHO.

Our campaign used our celebrity brand ambassador, several well-known Beauty Influencers through creative and innovative posts to actively engage and communicate with our audience.



Launch of new Bajaj Amla Aloe Vera

We launched Bajaj Amla Aloe Vera in February 2021



Unique combination of
Amla + Aloe Vera



Formulation that
makes hair
**3x softer* vs
un-oiled hair**



Unique bottle designed like a leaf to connote the
“natural” origins of the Brand

With this brand we intend to establish a strong
presence in the fast-growing amla segment.

*Basis instrumental studies vs un-oiled hair conducted in an external lab in September 2020

Leveraging the Power of Digital + E Commerce

1. Bajaj Zero Grey Hair Oil

This brand was developed with a digital-first approach. It is being actively promoted on E-Commerce Sites and was supported with a Digital Marketing Campaign. A variety of digital platforms like YouTube / Instagram/ Facebook / LinkedIn / Google Search were used with specific objectives like building awareness, education and trial generation.

bajaj
ZERO GREY™
ANTI-GREYING HAIR OIL

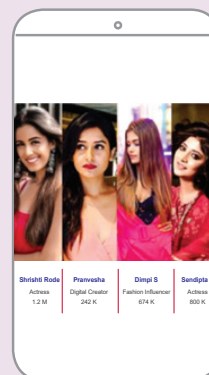
Helps delay greying* of hair, naturally.

Bajaj Zero Grey hair oil has 5 natural actives - Onion, Shikakai, Henna, Hibiscus and Kalonji. It helps delay greying of hair, naturally.

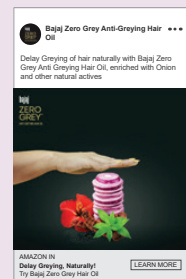
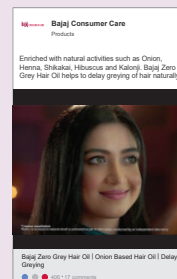
*Refers to increase in melanin level vs untreated as per in-vitro study conducted by an independent laboratory

2. Leveraging the Power Of Ecommerce

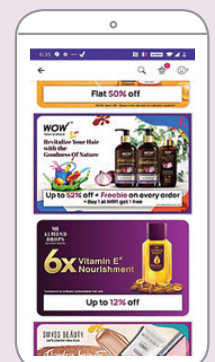
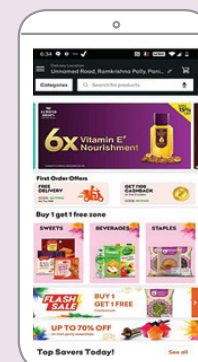
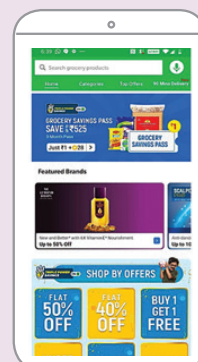
In FY 2020-21 we stepped up the presence and sales of our Brands through the E-commerce Channel. We have invested heavily in visibility; consumer offers and search marketing for our brands across leading e-commerce sites. As a result, our sales through e-commerce has gone up by a factor of 3 vs last year.



As a result, our sales through e-commerce has gone up by a **factor 3 vs last year.**



Samples of the Digital Marketing Collateral for ADHO



Directors' Report

Dear Members,

The Board of Directors are pleased to present the Company's Fifteenth Annual Report and the Company's audited financial statements for the financial year ended March 31, 2021.

Financial Performance

The summarized financial results of the Company for the Financial Year ended March 31, 2021 are presented below:

Particulars	[₹ In lacs]	
	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020
Total revenue	94,915.38	87,408.87
Profit before interest, depreciation and tax	27,803.69	24,045.36
Finance cost	131.96	423.08
Depreciation	580.21	533.30
Profit before tax	27,091.52	23,088.98
Provision for taxation – Income Tax	4,734.57	4,033.65
Profit after tax	22,356.95	19,055.33
Other Comprehensive Income	41.62	21.34
Total Comprehensive Income	22,398.57	19,076.67
Balance brought forward from previous year	29,789.22	10,712.55
Retained earning Available for Appropriation	52,187.79	29,789.22
Appropriations-		
- Dividend /Interim dividend	11,803.21	-
- Balance carried to balance sheet	40,384.58	29,789.22

The Company recorded total revenue of ₹ 94,915.38 lacs as compared to ₹ 87,408.87 lacs in the previous year thereby registering a growth of approximately 8.59% over previous year. Profit before tax was ₹ 27,091.52 lacs as against ₹ 23,088.98 lacs of the previous year. The Profit after tax stood at ₹ 22,356.95 lacs as compared to the profit of ₹ 19,055.33 lacs in the previous year. The operations and financial results of the Company are elaborated in the Management Discussion and Analysis Report.

There have been no material changes & commitments which affects the financial positions of the Company which have occurred between the end of financial year and the date of this report.

Transfer to Reserves

Your Directors do not propose to transfer any amount to Reserves.

Dividend

The Company has paid an interim dividend of ₹ 6/- per share of the face value of ₹ 1/-each fully paid up (being 600%) on March 01,2021.

Your Directors are pleased to recommend a final Dividend of ₹ 4/- per equity share of face value of ₹ 1/- each for the year ended March 31, 2021. The Dividend, subject to the approval of Members at the Annual General Meeting on Monday, June 21, 2021, will be paid within the time period stipulated under The Companies Act, 2013 (subject to deduction of Tax at source).

The aggregate dividend for the year will amount to ₹ 10/- per share of ₹ 1/- each fully paid up (being 1000%) as against ₹ 2/- per share of ₹ 1/- each fully paid up (being 200%) declared previous year. The Dividend recommended is in accordance with the Dividend Distribution policy of the Company which is available on the website of the Company at <https://bajajconsumercare.com/policies.aspx> and also given in **Annexure-1** to this Directors' Report.

Unpaid / Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 93,398/- of unpaid / unclaimed dividends were transferred during the year to the Investor Education and Protection Fund.

Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2021 was ₹ 14,75,40,159 divided into 14,75,40,159 equity shares of ₹ 1/- each. During the year under review, the Company has allotted 5,813 shares of ₹ 1/- each under Bajaj Corp Employee Restricted Stock Unit Plan 2018 ("RSU 2018").

Employee Restricted Stock Unit Plan 2018

The shareholders at the Annual General Meeting held on July 23, 2018, had approved an 'Employee Restricted Stock Unit Plan 2018' ("RSU 2018") authorizing grant of not exceeding 7,37,500 options to the eligible employees, in one or more tranches, with each such option conferring a right to apply for one share in the Company in accordance with the terms and conditions under the plan.

Additional details of the plan as required under Securities & Exchange Board of India (Share Based Employee Benefits) Regulations 2014 are annexed as **Annexure-2** and forms part of this report and also uploaded on the website of the company at <https://www.bajajconsumercare.com>.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements, forming a part of this Annual Report.

Subsidiaries and Associate Companies

During the year under review, no company became/ ceased to be a subsidiary/associate/joint venture of the Company. As on March 31, 2021, the Company had the following unlisted subsidiaries namely:

- Uptown Properties and Leasing Private Limited
- Bajaj Bangladesh Limited (wholly owned subsidiary)
- Bajaj Corp International(FZE) (wholly owned subsidiary)

Out of above, Uptown Properties and Leasing Private Limited became 'Material Subsidiary' as defined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations ("Listing Regulations"). The details of the policy for determining 'Material Subsidiary' is available on the website of the Company at <https://bajajconsumercare.com/policies.aspx>

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Company has attached along with the Financial Statements, a separate statement containing the salient features of the Financial Statements of its subsidiary companies in the manner prescribed under the Companies Act, 2013 and Rules

made thereunder and hence not repeated here for the sake of brevity.

Subsidiaries Operations

Uptown Properties and Leasing Private Limited

During the Financial Year ended March 31, 2021, the net Loss of Uptown was ₹ 33.79 lacs as against net loss of ₹ 36.33 lacs of the previous Financial Year. There were no business activities during the Financial Year ended March 31, 2021.

Bajaj Bangladesh Limited

The Company did not have revenues during current and the previous financial year. Net loss for the current financial year was recorded at ₹1.29 lacs as against ₹ 140.19 lacs of the previous financial year.

Bajaj Corp International (FZE)

During the financial year ended March 31, 2021, the Company achieved total revenue of ₹ 1,283.34 lacs as compared to ₹ 1,334.20 lacs of the previous financial year. Net loss for the current financial year was ₹ 15.09 lacs as against ₹ 423.97 lacs of the previous financial year.

Consolidated Financial Statements

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Consolidated Financial Statements of the Company and its subsidiaries have been prepared in the same form and manner as mandated by Schedule III to the Companies Act, 2013 and shall be laid before the forthcoming 15th Annual General Meeting (AGM) of the Company.

The Consolidated Financial Statements of the Company have also been prepared in accordance with relevant Accounting Standards issued by Ministry of Corporate Affairs forming part of this Annual Report. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and Audited Accounts of each of its subsidiaries are available on Company's website at <https://www.bajajconsumercare.com>. These documents are also available for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and National Holidays up to the date of the 15th AGM.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

Corporate Social Responsibility (CSR) Initiatives

In accordance with the requirements of the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee. The Company has also formulated a CSR Policy which is available on Company's website at <https://bajajconsumercare.com/policies.aspx>

During the year under review, in compliance with the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and the various notifications/circulars issued by the Ministry of Corporate Affairs, the Company has contributed an amount of approximately ₹ 533.38 lacs to Kamalnayan Jamn Lal Bajaj Foundation (the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013). The salient features of the CSR policy along with the Report on CSR activities are given in **Annexure-3** to this Directors' Report.

Business Risk Management

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. Inflationary tendencies in the economy and deterioration of macroeconomic indicators can impact the spending power of the consumer because of which down trading from branded products to non-branded can occur which can affect the operating performance of the Company.

The Company operates in the highly competitive FMCG market with competitors who may have better ability to spend more aggressively on advertising and marketing and more flexibility to respond to changing business and economic conditions. An increase in the amount of competition that we face could have a material adverse effect on our market share and sales.

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issues can affect our operations and profitability.

A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently.

However, the Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated with timely action. The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize

adverse impact on the business objectives and enhance the Company's competitive advantage. The details of the Risk Management Policy are available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

In the opinion of the Board of Directors, none of the aforementioned risks affect and/or threaten the existence of the Company.

Vigil Mechanism / Whistle-Blower Policy

The Company has adopted a 'Whistle-Blower Policy' for Directors and Employees to report genuine concerns and to provide adequate safeguards against victimization of persons who may use such mechanism.

The functioning process of this mechanism has been more elaborately mentioned in the Corporate Governance Report forming a part of this Annual Report. The said policy is hosted on Company's website at <https://bajajconsumercare.com/policies.aspx>

Remuneration Policy

The Board on the recommendation of the Nomination, Remuneration & Corporate Governance Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration and to develop & recommend to the Board a set of Corporate Governance Guidelines. The policy of the Company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

The salient features of the policy are as below :-

- To identify individuals qualified to be Board Members and in Senior Management, consistent with criteria approved by the Board and to periodically examine the structure, composition and functioning and performance of the Board, its Committees & Senior Management and recommend changes, as necessary;
- To recommend new Board Members in light of resignation of current Members or a planned expansion of the Board;
- To recommend to the Board of Directors to serve on each of the Board Committee;
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To formulate the criteria for determining the qualifications, positive attributes and independence of a Director.

- To recommend to the Board remuneration policy for Directors, Key Managerial personnel and other employees.
- To develop and recommend to the Board a set of Corporate Governance Guidelines;
- To oversee the evaluation of the Board, Committees of the Board and the management.
- To assess the Company's policies and processes in key areas of Corporate Governance, other than those explicitly assigned to other Board Committees, with a view to ensuring the Company is at the forefront of good corporate governance;
- Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
- Examine the impact of significant regulatory and statutory changes applicable to the governance practices of the Company and to recommend measures to implement the same;
- To regularly examine ways to strengthen the Company's organizational health, by improving the hiring, retention, motivation, development, deployment and behavior of management and other employees.

In this context, the Committee will also review the framework and processes for motivating and rewarding performance at all levels of the organization, will review the resulting compensation awards and will make appropriate proposals for Board approval. In particular, it will recommend all forms of compensation to be granted to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

Board of Directors

Appointment

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, the Board of Directors of the Company, based on the recommendation of the Nomination, Remuneration Committee & Corporate Governance Policy, at its Meeting held on June 18, 2020 appointed Mr. Jaideep Nandi (DIN: 06938480) with effect from July 01, 2020 as an Additional Director and designated as Managing Director of the Company. Mr. Jaideep Nandi held office of Director up to the date of 14th Annual General Meeting of the Company and was appointed as Director liable to retire by rotation.

The Board also re-designated Mr. Sumit Malhotra as Director & Advisor of the Company for a term of five years w.e.f. July 01, 2020 to June 30, 2025 and members have ratified his re-

designation and remuneration at the 14th Annual General Meeting of the Company held on September 21, 2020.

Resolution seeking approval in respect of continuation of payment of remuneration payable to Mr. Sumit Malhotra which is being placed at the ensuing Annual General meeting as required under Listing Regulations.

Retirement by Rotation

As per the provisions of Section 152 of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, these Directors qualify for re-appointment. At the ensuing AGM, Mr. Kushagra Bajaj (DIN: 00017575), Director, retires by rotation and being eligible, offers himself for re-appointment.

A detailed profile of Mr. Kushagra Bajaj along with additional information required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

Number of Meetings of the Board

The Board met five times during the Financial Year 2020- 21 namely, June 18, 2020, June 30, 2020, July 16, 2020, October 16, 2020 and February 03, 2020. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

Annual evaluation by the Board

Pursuant to the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, committees, Chairman and individual Directors. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

The Nomination, Remuneration and Corporate Governance Committee have defined the evaluation criteria for the Board, its Committees and Directors. The evaluation exercise is carried out through a structured questionnaire circulated to the Directors covering various aspects of evaluation of the Board, Committee and individual directors.

The Board's functioning was evaluated on various aspects, including inter alia, degree of fulfilment of key responsibilities,

Board structure, composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the management. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active participation by all Board Members.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluations of the Independent Directors were carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

In addition, Independent Directors were evaluated based on parameters such as qualification, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment independence, independent

views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of Ethics (Code of Conduct) of the Company as well as the Code for Independent Directors as applicable, understanding the environment in which the Company operates and contribution to strategic decision and raising valid concerns to the Board, interpersonal relations with other Directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity.

Details of the policy on evaluation of Board's performance is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

Familiarization Programme for Independent Directors

Pursuant to the provisions of Regulation 25 of the Listing Regulations, the Company has formulated a programme for familiarising the Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives. The details of the aforementioned programme is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

Board Committees

A. Audit Committee

The Audit Committee comprises of following Independent Directors:

1. Mr. Gaurav Dalmia, Chairman of the Committee
2. Mr. Aditya Vikram Ramesh Somani
3. Mr. Dilip Cherian
4. Ms. Lilian Jessie Paul

B. Nomination, Remuneration & Corporate Governance Committee

The Nomination, Remuneration & Corporate Governance Committee comprises of following Independent Directors:

1. Mr. Gaurav Dalmia, Chairman of the Committee
2. Mr. Aditya Vikram Ramesh Somani
3. Mr. Dilip Cherian

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of following Directors:

1. Mr. Dilip Cherian, Chairman of the Committee
2. Mr. Kushagra Nayan Bajaj
3. Mr. Jaideep Nandi
4. Mr. Sumit Malhotra

D. Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of following Directors:

1. Mr. Gaurav Dalmia, Chairman of the Committee
2. Mr. Dilip Cherian
3. Mr. Jaideep Nandi
4. Mr. Sumit Malhotra

E. Risk Management Committee

The Risk Management Committee comprises of the following Members:

1. Mr. Aditya Vikram Ramesh Somani, Chairman of the Committee
2. Ms. Lilian Jessie Paul
3. Mr. Jaideep Nandi
4. Mr. Sumit Malhotra
5. Mr. Ankit Chudiwala
6. Mr. Pankaj Nigam

Key Managerial Personnel

During the year under review, Mr. Sumit Malhotra, Managing Director demitted his office as Managing Director effective June 30, 2020. The Board places on record its appreciation for the valuable services rendered by Mr. Malhotra during his tenure as a Managing Director of the Company.

Mr. Jaideep Nandi has been appointed as Managing Director of the Company with effect from July 1, 2020.

Declaration by Independent Directors

The Independent Directors of the Company have submitted declaration of Independence confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

All the Independent Directors of the Company have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. Further it also confirmed that they have complied with the provisions regarding Independent Directors' registration with the databank maintained by The Indian Institute of Corporate Affairs ('IICA') and online proficiency self-assessment test conducted by the IICA unless exempted.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Utilization of net proceeds from the Initial Public Offer ("Issue")

Pursuant to the approval of the Members obtained at the 7th AGM of the Company held on August 2, 2013, the objects of the issue as disclosed in the Prospectus dated August 9, 2010 issued by the Company for its Initial Public Offer were varied. In terms of variation, the Company has proposed to utilize the balance unutilized amount of ₹ 278.04 crore as on March 31, 2013 towards area as specified in the notice of the aforesaid Meeting.

The Company has utilized ₹ 252.25 crore upto March 31, 2021 out of the balance unutilized amount of ₹ 278.04 crore as mentioned above towards the area as specified in the notice of the aforesaid Meeting.

The Company continues with its efforts for development of new products in the personal care segment. The Company has also been actively pursuing opportunities of inorganic growth in the FMCG sector by identifying brands/ products portfolio/companies in personal care segments.

Related Party Transactions

The Board of Directors has adopted a policy on Related Party Transactions. The said Policy is available on Company's website at <https://bajajconsumercare.com/policies.aspx>.

The objective of the Policy is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. All contracts or arrangements with related parties entered into or modified during the Financial Year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into only with prior approval of the Audit Committee, except transactions which qualify under omnibus approval as permitted under the law. No material contracts or arrangements with related parties were entered into during the year under review. Therefore, there is no requirement to report any transaction in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Further, the Company has not entered into any transaction of a material nature with the Promoters, subsidiaries of Promoters, Directors, Key Managerial Personnel or their relatives etc. that may have potential conflict with the interests of the Company.

Transactions with Related Parties are disclosed in the notes to accounts annexed to the financial statements.

Internal Financial Controls

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon were presented to the Audit Committee of the Board.

Auditors

(a) Statutory Auditors

Members of the Company at the 11th AGM held on July 18, 2017, approved appointment of M/s. Sidharth N Jain & Co., Chartered Accountants (Firm Registration No. 018311C) as the Statutory Auditors of the Company for a term of 5 years to hold the office from the conclusion of 11th AGM till the conclusion of 16th AGM of the Company.

M/s. Sidharth N Jain & Co., have confirmed that they are within the limits specified under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified to act as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

As required under Regulation 33(1)(d) of Listing Regulations, M/s. Sidharth N Jain & Co., have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Statutory Auditors Report to the shareholders for the year under review does not contain any modified opinion or qualifications and the observations and comments given in the report of the Statutory Auditors read together with Notes to accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134(f)(i) of the Companies Act, 2013.

During the year under review, the auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and therefore, no details are required to be disclosed under Section 134(3)(c)(a) of the Companies Act, 2013.

(b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the Company has appointed M/s. A. K. Jain & Co., Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks or disclaimer and is annexed herewith as **Annexure-4** to this Directors' Report.

Cost Audit

The Ministry of Corporate Affairs vide Notification dated December 31, 2014, made amendment in the Companies (Cost Records and Audit) Rules, 2014, through Companies (Cost Records and Audit) Amendment Rules, 2014. As per the Amendment Rules, the Company is exempted from the requirement to conduct Cost Audit.

Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and Rules made thereunder.

Corporate Governance Report and Certificate

In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the certificate as required under Schedule V(E) of Listing

Regulations received from the Statutory Auditors of the Company, forms part of this Annual Report.

Compliance of Corporate Governance Standards of New York Stock Exchange(NYSE)

The Company, to achieve greater transparency and to comply with internationally prevalent norms of Corporate Governance, has voluntarily adopted Corporate Governance Standards codified in Section 303A of New York Stock Exchange (NYSE) Listed Company Manual. The details of the same and the steps taken by the Company are explained in the Corporate Governance Report.

Compliance of Secretarial Standards of ICSI

In terms of Section 118(10) of the Companies Act, 2013, the Company is complying with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government.

Business Responsibility Report

In compliance with Regulation 34 of Listing Regulations, the Business Responsibility Report detailing the various initiatives taken by the Company on environmental, social and governance front is forming a part of this Annual Report. The Board of Directors has adopted a Business Responsibility Policy which is available on Company's website at <https://bajajconsumercare.com/policies.aspx>.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-5** to this Directors' Report.

Annual Return

The Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-7 of the Companies (Management and Administration) Rules, 2014, is available on the website of the company at <https://www.bajajconsumercare.com/general-meetings-postal-ballots>.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy for prevention of sexual harassment at the workplace in line with the requirements

of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal complaints committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the above Act.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

1. Number of Complaints received: Nil
2. Number of Complaints disposed off: Nil

Particulars of Employees

Disclosure required in respect of employees of the Company, in terms of provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure-6** and forms part of Directors' Report.

The Managing Director of the Company does not receive any remuneration and/or commission from the Company's holding and/or subsidiary companies.

In terms of first proviso to Section 136(1) of the Companies Act, 2013, the Directors Report is being sent excluding the information on employees' particulars mentioned in Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and National Holidays up to the date of the 15th AGM. If any Member is interested in inspecting the same, such Member may write to the Company Secretary in advance.

Listing Agreement

In compliance with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, the Company has executed a Uniform Listing Agreement with BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed. Company has paid annual listing fees to both the Stock Exchanges.

Prohibition of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code of Conduct for Regulating, Monitoring and Reporting of Trading

by insiders' and 'Code of Fair Disclosure' of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organization. The said codes are available on Company's website at <https://bajajconsumercare.com/policies.aspx>

The 'Trading Window' is closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. The Company Secretary of the Company has been designated as Compliance Officer to administer the Code of Conduct and other requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015.

General Disclosure

During the year under review:

- a) the Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise, pursuant to the provisions of Section 43 of Companies Act, 2013 and Rules made thereunder.
- b) the Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company or its holding Company, pursuant to the provisions of Section 67 of Companies Act, 2013 and Rules made thereunder.
- c) the Company has not accepted any deposit from the public, pursuant to the Chapter V of Companies Act, 2013 and Rules made thereunder.
- d) the Company has not bought back its shares, pursuant to the provisions of Section 68 of Companies Act, 2013 and Rules made thereunder.
- e) there are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.
- f) there are no significant material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

- g) there was no occasion where the Board has not accepted any recommendation of the Audit Committee.
- h) no application was filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

Industrial Relations

Industrial relations have been cordial at all the manufacturing units of the Company.

Cautionary Statement

Statements in the Director's report and the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country and other factors which are material to the business operations of the Company.

Acknowledgements

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government authorities, bankers, customers, suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude, the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Kushagra Nayan Bajaj

Chairman

(DIN:00017575)

Place : Mumbai

Dated : April 19, 2021

ANNEXURE – 1

Dividend Distribution Policy

1. BACKGROUND, SCOPE, PURPOSE AND EFFECTIVE DATE

The Securities and Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations).

Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Bajaj Consumer Care Limited (the "Company") being one of the top five hundred listed company as per the criteria mentioned above, the Company has approved and adopted this Dividend Distribution Policy (the "Policy") at its meeting held on October 14, 2016, being the effective date of the Policy .

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders
- Issue of Bonus Shares by the Company
- Buyback of Securities

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

2. DEFINITIONS

- 1.1 **"Board"** shall mean Board of Directors of the Company.
- 1.2 **"Companies Act"** shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.
- 1.3 **"Dividend"** included any interim dividend.
- 1.4 **"Listed Entity / Company"** shall mean Bajaj Consumer Care Limited.
- 1.5 **"Policy"** means Dividend Distribution Policy.
- 1.6 **"Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by the Securities and Exchange Board of India, as amended, from time to time.
- 1.7 **"Stock Exchange"** shall mean a recognised Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (Regulation) Act, 1956.

3. POLICY

A. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors.

Financial parameters and Internal Factors:

- i. Operating cash flow of the Company
- ii. Profit earned during the year
- iii. Profit available for distribution
- iv. Earnings Per Share (EPS)
- v. Working capital requirements
- vi. Capital expenditure requirement
- vii. Business expansion and growth
- viii. Likelihood of crystallization of contingent liabilities, if any
- ix. Additional investment in subsidiaries and associates of the company
- x. Upgradation of technology and physical infrastructure
- xi. Creation of contingency fund
- xii. Acquisition of brands and business
- xiii. Cost of Borrowing
- xiv. Past dividend payout ratio / trends

External Factors:

- i. Economic environment
- ii. Capital markets
- iii. Global conditions
- iv. Statutory provisions and guidelines
- v. Dividend payout ratio of competitors

B. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- i. Proposed expansion plans requiring higher capital allocation
- ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow
- iii. Requirement of higher working capital for the purpose of business of the Company
- iv. Proposal for buy-back of securities
- v. In the event of loss or inadequacy of profit

C. UTILIZATION OF THE RETAINED EARNING

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan
- Product expansion plan
- Increase in production capacity
- Modernization plan
- Diversification of business
- Long term strategic plans
- Replacement of capital assets
- Where the cost of debt is expensive
- Dividend payment
- Such other criteria's as the Board may deem
- fit from time to time.

D. MANNER OF DIVIDEND PAYOUT

In case of final dividend:

- i. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- ii. The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

- i. Interim dividend, if any, shall be declared by the Board.
- ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- iv. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

E. PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of equity shares with equal voting rights, all the Members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

4. DISCLOSURES

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at <https://www.bajajconsumercare.com>

5. POLICY REVIEW AND AMENDMENTS

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authorities. The Board may modify, add, delete or amend any of the provisions of this Policy. Any exceptions to the Dividend Distribution Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

ANNEXURE – 2

Details of Stock Options as on March 31, 2021

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2021:

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time Members may please refer to the audited financial statement for the year 2020-2021.
- B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options:
Diluted EPS for the year ended March 31, 2021 is ₹ 15.15
- C. Details related to Employees' Stock Option Scheme:

No.	Description	Details
i)	The description including terms and conditions of ESOS is summarized as under:	
a.	Date of shareholders' approval	July 23, 2018
b.	Total Number of options approved under ESOS	Upto 0.5% of the paid-up capital of the Company
c.	Vesting Requirements	7,37,500 options granted shall not vest earlier than minimum period of one (1) year and not later than maximum period of four (4) years from the date of grant.
d.	Exercise Price or Pricing Formula	Exercise price per option shall be the face value of equity shares i.e. ₹ 1/-
e.	Maximum term of options granted	4 years
f.	Source of shares	Primary
g.	Variation in terms of options	None
ii)	Method used to account for ESOS	Fair Value
iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.	NA
iv)	Option movement during the year:	
a.	Number of options outstanding at the beginning of the period	2,88,283
b.	Number of options granted during the year	Nil
c.	Number of options forfeited/lapsed/ expired during the year	1,14,667
d.	Number of options vested during the year	5,813
e.	Number of options exercised during the year	5,813
f.	Number of shares arising as a result of exercise of options	5,813
g.	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	₹ 5,813/-
h.	Loan repaid by the trust during the year from exercise price received	N.A.
i.	Number of options outstanding at the end of the year	1,67,803
j.	Number of options exercisable at the end of the year	Nil

No.	Description	Details
v)	Weighted average exercise prices and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	(i) Weighted average exercise price of options granted during the year whose: <ol style="list-style-type: none"> Exercise price equals market price: N.A. Exercise price is greater than market price: N.A. Exercise price is less than the market price: ₹ 1 (ii) Weighted average fair value of options granted during the year whose: <ol style="list-style-type: none"> Exercise price equals market price: N.A. Exercise price is greater than market price: N.A. Exercise price is less than the market price: NIL
vi)	Employee-wise details of options granted to :-	
i.	Senior Managerial Personnel	None
ii.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None
iii.	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
vii)	Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	<ul style="list-style-type: none"> Fair value of the options calculated by using Black -Scholes option pricing model. Stock Price : The closing price on NSE as on the date of grant has been considered for valuing the options granted. Volatility : Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black – Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options. Risk Free Rate of Return: The risk-free rate is taken as the zero coupon yield on Government of India securities corresponding to the expected life of options. Time of maturity /Expected Life: Time of maturity /Expected Life of option is the period for which the Company expects the option to be live. The minimum life of a stock option is the minimum before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. Expected dividend yield: The expected dividend yield has been calculated on the basis of past history of dividend payouts.

Weighted Average Information

Variables

Plan	RSU 2018	
Grant Date	August 14, 2018	February 10, 2020
Risk free rate (%)	7.20-7.70	5.9
Expected Life (years)	1 to 4	1 to 4
Volatility (%)	24	32
Dividend yield (%)	2.50	3.00
Stock price (NSE closing rate) ₹	420.75	221.79
Option Fair Value ₹	392.10	195.92

For and on behalf of the Board of Directors

Kushagra Nayan Bajaj

Chairman

DIN: 00017575

Place : Mumbai

Dated: April 19, 2021

ANNEXURE - 3

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company.

The Company undertakes its CSR activities through 'Kamalnayan Jamnalal Bajaj Foundation'. Kamalnayan Jamnalal Bajaj Foundation with the vision of "Integrated development of the society through participatory approaches that sets benchmarks and standards for others to emulate for sustainable development" empower the rural community to take charge of their own development in a participatory manner by developing and managing natural resources. The developmental interventions focus on enhancing the income generated from agriculture, which is the principal source of livelihood. Kamalnayan Jamnalal Bajaj Foundation also promotes alternate agro based livelihood opportunities such as dairy farming, organic farming, horticulture and biogas which not only provides additional steady income but allows rural community to get enhanced quality of life. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder. The CSR Policy provides for carrying out CSR activities in respect of those areas as provided in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Gaurav Dalmia	Chairman of the Committee	2	2
2	Mr. Dilip Cherian	Independent Director	2	2
3	Mr. Sumit Malhotra	Member/ Independent Director	2	2
		Member/ Non- Executive (w.e.f. July 01,2020)		
		Managing Director (upto June 30,2020)		
4	Mr. Jaideep Nandi	Member/ Managing Director (w.e.f. July 01,2020)	No meeting was held during his tenure	-

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

These details are disclosed on the Company's website at <https://bajajconsumercare.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	Prior to 2020-2021	Nil	Nil
	Total	Nil	Nil

6. Average net profit of the company as per section 135(5). ₹ 26,668.68 lacs
7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 533.38 lacs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. ₹ Nil
 (c) Amount required to be set off for the financial year, if any; ₹ Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c). : ₹ 533.38 lacs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in lacs)	Amount Unspent (₹ in lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
533.38	Nil	N.A.	N.A.	Nil	N.A.

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State District						Name CSR Registration number
1.	-----					NOT APPLICABLE				-----

- (c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (₹ in lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency
				State District			Name CSR registration number
1.	Water Conservation (Water resource development)	Environmental Sustainability	Yes	Rajasthan, Sikar	67.81	No	* CSR00004622
2.	Water Conservation (Micro Irrigation System)	Environmental Sustainability	Yes	Rajasthan, Sikar	25.79	No	*
3.	Agriculture Development	Environmental Sustainability	Yes	Rajasthan, Sikar	13.81	No	*
4.	Alternate Energy	Environmental Sustainability	Yes	Rajasthan, Sikar	20.90	No	*
5.	Design for change	Environmental Sustainability	Yes	Rajasthan, Sikar	1.71	No	*
6.	Design for change	Environmental Sustainability	No	Maharashtra Wardha	2.25	No	*
7.	Well Recharge, Recharge structure & Rejuvenation of River stream	Environmental Sustainability	No	Maharashtra Wardha	22.04	No	*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Amount spent for the project (₹ in lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency Name CSR registration number
8.	Agricultural Development (Horticulture, Well deepening)	Environmental Sustainability	No	Maharashtra Wardha	8.03	No	*
9.	Natural Farming	Environmental Sustainability	No	Maharashtra Wardha	9.70	No	*
10.	Horticulture, Well Deepening	Environmental Sustainability	No	Uttar Pradesh Lalitpur	29.91	No	*
11.	Women Empowerment	Enhancement of vocational Skill	Yes	Rajasthan, Sikar	14.20	No	*
12.	Community Mobilization	Enhancement of vocational Skill	Yes	Rajasthan, Sikar	28.14	No	*
13.	Women Empowerment	Enhancement of vocational Skill	No	Maharashtra Wardha	9.09		
14.		Contribution to the corpus of Kamalnayan Jamnalal Bajaj Foundation	-	-	266.69	N A	*
Total					520.06		

* Kamalnayan Jamnalal Bajaj Foundation (Registration Number CSR00004622)

(d) Amount spent in Administrative Overheads: ₹ 13.32 lacs

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 533.38 lacs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ in lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	533.38
(ii)	Total amount spent for the Financial Year	533.38
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ lacs)	Amount spent in the reporting Financial Year (in ₹ lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any Name of the Fund Amount (in ₹ lacs) Date of transfer			Amount remaining to be spent in succeeding financial years (in ₹ lacs)
1.	2017-2018	Nil	502.40	N.A.	Nil	N.A.	Nil
2.	2018-2019	Nil	543.34	N.A.	Nil	N.A.	Nil
3.	2019-2020	Nil	567.38	N.A.	Nil	N.A.	Nil
Total			1613.12		Nil		Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1	-----		NOT	APPLICABLE		-----		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

(a) Date of creation or acquisition of the capital asset(s).: N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset. : N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: The Company has completed spending its CSR obligation in full for the Financial Year 2020-21

Place : Mumbai

Dated : April 19, 2021

Jaideep Nandi

Managing Director

(DIN: 06938480)

Gaurav Dalmia

(Chairman CSR Committee)

(DIN: 00009639)

ANNEXURE – 4

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2021.

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Bajaj Consumer Care Limited
Old Station Road
Sevashram Chouraha
Udaipur - 313001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj Consumer Care Limited** (CIN: L01110RJ2006PLC047173) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the financial year under review)**;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the financial year under review)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the financial year under review)**;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the financial year under review)**;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the financial year under review)**; and
 - i. Securities and Exchange Board of India (Listing obligations and Disclosures Requirements) Regulations, 2015 [SEBI (LODR)].

(vi) The management has identified and confirm the compliances of the following laws as specifically applicable to the Company:

- (i) Environment (Protection) Act, 1986;
- (ii) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
- (iii) Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards;
- (iv) Drugs and Cosmetics Act, 1940 and the rules made thereunder; and
- (v) Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011.

Having regard to the compliance system prevailing in the Company, we further report that on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. are mentioned below:

Date of event	Details of the specific events/actions bearing on Company's affairs pursuance of the above referred laws, rules, regulations, guidelines etc.
30.07.2020	The Company has passed Special Resolution at their Extra-ordinary General Meeting for Alteration of Memorandum of Association of the Company.
30.07.2020	The Company has passed Special Resolution at their Extra-ordinary General Meeting for Alteration of its Articles of Association of the Company.
08.09.2020	The Company has allotted 5,813 Equity Shares of ₹ 1/- each to the Eligible Employees of the Company under 'Bajaj Consumer Care Limited Employee Restricted Stock Unit Plan, 2018' (RSU 2018).

For **A. K. Jain & Co.**
Company Secretaries

Ashish Kumar Jain

Proprietor
CP No. 6124

Place: Mumbai
Date: April 19, 2021

Membership No. F6058
UDIN No. F006058C000133053

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE – ‘A’

To
The Members,
Bajaj Consumer Care Limited
Old Station Road,
Sevashram Chouraha
Udaipur - 313001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the outbreak of COVID 19 and lock down, we have conducted the audit and relied upon the information, documents, forms, returns, papers and other records maintained by Company and provided to us electronically.

For **A. K. Jain & Co.**
Company Secretaries

Ashish Kumar Jain
Proprietor
CP No. 6124
Membership No. F6058
UDIN No. F006058C000133053

Place: Mumbai
Date: April 19, 2021

ANNEXURE – 5

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy-

- Energy conservation by adopting new technology with energy efficient motors and more focus on continuous improvement & process, through improved maintenance.
- Making appropriate infrastructural changes in plant & machineries in order to conserve energy & manpower by utilizing optimum natural resources like air, heat, water and lighting.
- Improving OEE (Overall Equipment Efficiency) resulting productivity improvement and reduction of power and resources.
- The power consumption saving by use of LED lights for machine works areas, overhead lights in some testing laboratories etc.
- Reduce machine power consumption by implementing reduction of over usages, under usages, idling and synchronization & transmission losses.
- By implementing load balancing of power across 3 phases and optimizing the power consumptions.
- Company is continuously monitoring energy consumption per unit of production at various facilities and taking actions towards conservation of energy in view of rising cost of energy and keeping with the company's commitment to be an energy efficient entity.

(B) TECHNOLOGY ABSORPTION

(i) Research and Development:

- Company had been aggressively carrying out in-house R&D for development of products and processes in all its manufacturing businesses to meet the requirements of the market. The Company is also recognized as "In house R&D Centre" by DSIR (Department of Scientific & Industrial Research).
- The technologies so far generated by the Company have been absorbed and adapted/ innovated to make them suitable to the Indian conditions by the active involvement of the R & D Department.
- Absorption, adaptation & innovation of technology have led to less dependence on imports of certain products. This has saved a considerable cost of production.

(ii) Efforts made towards technology absorption

Guwahati plant has incorporated advance technology machines for filling, sealing and packaging. These machines are energy efficient, highly productive and equipped with best in class safety features.

(iii) Benefits derived like product improvement, cost reduction, product development or import substitution-

Company has benefited significantly in terms of better product quality, reduced operating cost and new product additions into hair & skin care portfolio.

(iv) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- | | |
|---|------|
| (a) The details of technology imported | NIL |
| (b) The year of import | N.A. |
| (c) Whether the technology been fully absorbed | N.A. |
| (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof | N.A. |

(v) Expenditure on R&D

For the year ended March 31	2021	2020
(a) Capital	5.30	-
(b) Recurring	337.58	363.49
(c) Total	342.88	363.49
(d) Total R & D expenditure as a percentage of total turnover	0.37%	0.43%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange earnings and outgo was ₹ 1,584.42 lacs and ₹ 110.36 lacs respectively.

For and on behalf of the Board of Directors

Kushagra Nayan Bajaj

Chairman

DIN: 00017575

Place : Mumbai

Dated: April 19, 2021

ANNEXURE – 6

A. Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Sl. No.	Name of the Directors/KMP	Designation	Remuneration of Directors/ KMP for the year 2020-2021 (Amount in ₹ lacs)	% Increase in Remuneration in the year 2020-2021	Ratio of Remuneration of each Director to median remuneration of employee
1	Mr. Kushagra Bajaj	Chairman	1.60	*	N.A.
2	Mr. Sumit Malhotra	Managing Director (upto June 30,2020)	430.81	@	57.93
		Director & Advisor (w.e.f. July 01,2020)	112.50	N.A.	N.A.
3	Mr. Jaideep Nandi\$	Managing Director (w.e.f. July 01,2020)	219.56	N.A.	29.52
4	Mr. Aditya Vikram Somani	Director	2.20	*	N.A.
5	Mr. Dilip Cherian	Director	2.95	*	N.A.
6	Mr. Gaurav Dalmia	Director	2.35	*	N.A.
7	Ms. Lilian Jessie Paul	Director	1.90	*	N.A.
8	Mr. D. K. Maloo	Chief Financial Officer	90.32	-4.76%#	12.15
9	Mr. Chandresh Chhaya	Company Secretary	63.82	N.A.	8.58

* Sitting fees paid to Non-executive Directors during the year is not considered as remuneration for ratio calculation purpose. There was no change in the amount of sitting fees for every Board or Committee meeting attended by each Director. No sitting fees was paid to Mr. Sumit Malhotra for the meetings attended by him in capacity of Non Executive Director.

@ Ceased as KMP during the part of financial year. Hence percentage increase in remuneration is not comparable with previous year. Remuneration of the ceased KMP includes retirement benefits.

Due to reduction in variable pay.

\$ Does not include his remuneration of ₹ 150.41 lacs as CEO for the period April 2020 till June 30, 2020.

- The median remuneration of employees of the Company during the year was ₹ 7,43,668/-.
- The increase in the median remuneration of employees in the financial year was 6.34%.
- There were 511 permanent employees on the rolls of the Company as at March 31, 2021.

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase of the employee of the Company other than managerial personnel is 7.64%. Increase in remuneration of managerial personnel is 6.27%. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

6. **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.**

B. Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. In terms of proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the aforesaid particulars shall be made available to any shareholder on a specific request made by him in writing before the date of such Annual General Meeting wherein financial statements for the financial year 2020- 21 are proposed to be adopted by shareholders and such particulars shall be made available by the company within three days from the date of receipt of such request from shareholders.
2. Details of Employees employed throughout the financial year who were in receipt of the remuneration for that year which, in aggregate, was not less than ₹ 1.02 Crore are: 7
3. Employees employed for a part of the financial year and who were in receipt of the remuneration during for that financial year at a rate not less than ₹ 8,50,000 per month : 4

- C. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or alongwith his spouse and dependent children, not less than two percent of the equity shares of the Company: None**

For and on behalf of the Board of Directors

Mumbai
April 19, 2021

Kushagra Nayan Bajaj
Chairman(DIN: 00017575)

Corporate Governance Report

[Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] ["Listing Regulations"]

Company's philosophy on Code of Corporate Governance

The elements of transparency, fairness, disclosure and accountability form the cornerstone of corporate governance policy at Bajaj Consumer Care Limited. These elements are embedded in the way we operate and manage the business and operations of the Company. We value, practice and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. We believe that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

The philosophy and practice of corporate governance can be summarized as:

- Responsible and ethical decision making;
- Transparency in all business dealings and transactions;
- Timely and accurate disclosures of information;
- Integrity of reporting;
- The protection of the rights and interests of all stakeholders;
- Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision;
- The Board, Employees and all concerned are fully committed to maximizing long-term value of the stakeholders and the Company;
- The Company positions itself from time to time to be at par with any other Company of world-class in operating practices.

Board of Directors

The Members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

Composition

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of Listing Regulations with regard to the composition of the Board.

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors. As on March 31, 2021, the Board consists of seven Directors comprising four Independent Directors including one women independent director, one Executive Director and two Non-Executive Directors. Commensurate with the size of the Company, complexity and nature of underlying business, the composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Independent Directors bring external perspective and independence to decision making.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16 (1)(b) of the Listing Regulations and Section 149 of the Companies Act, 2013. These confirmations have been evaluated and taken on record by the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Listing Regulations. Further, Executive Director of the Company is not serving as an Independent Director in any listed company. In the opinion of the Board, the independent directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Companies Act, 2013 and the Committee positions held by them in other companies as stipulated under Regulation 26 of Listing Regulations. None of the Directors of the Company hold Directorships in more than 20 companies, including 10 public companies. Further, none of the Director hold directorship in more than 7 listed entities as provided in Regulation 17(a)(a) of the Listing Regulations. In accordance with Regulation 26 of the Listing Regulations, none of the Directors are Members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees [the committees being Audit Committee and Stakeholders Relationship Committee] across all listed entities in which he/she is a Director. All the Directors of the Company except Independent Directors are liable to retire by rotation.

Profile of Directors

A brief profile of each of the Directors as on March 31, 2021 is as below:

Mr. Kushagra Nayan Bajaj, Non-Executive Chairman

Mr. Kushagra Nayan Bajaj, aged 44 years, is the Non-Executive Chairman and one of the Promoters of the Company. He graduated with a Bachelor of Science (Hons.) degree in Economics, Political Philosophy and Finance from the Carnegie Mellon University, Pittsburgh, USA. Mr. Bajaj completed his Master of Science degree in Marketing from the Northwestern University, Chicago, USA. Mr. Bajaj has more than 20 years of experience in the consumer and sugar industry.

Mr. Jaideep Nandi, Managing Director

Mr. Jaideep Nandi, aged 55 years, has been appointed as the Managing Director of the Company with effect from July 1, 2020. He holds a bachelor's degree in Mechanical Engineering from Jadavpur University, Kolkata and has completed his post-graduation in Management, with specialization in Marketing and Finance, from IIM, Bangalore. Mr. Nandi has more than 31 years of experience in the Consumer sector. He is responsible for the overall operations of the Company and its subsidiaries.

Mr. Sumit Malhotra, Non- Executive Non- Independent Director

Mr. Sumit Malhotra, aged 59 years, was the Managing Director of the Company till June 30, 2020. He was re designated as Director and Advisor with effect from July 1, 2020. He holds a Bachelors' degree in Pharmacy with Honours from Indian Institute of Technology, Banaras Hindu University, Varanasi and a Post Graduate Diploma in Business Management from IIM, Ahmedabad. Mr. Malhotra has more than 31 years of experience in the FMCG sector.

Mr. Gaurav Dalmia, Independent Director

Mr. Gaurav Dalmia aged 55 years is the Chairman of Dalmia Group Holdings, a holding company for business and financial assets. It invests in private equity, real estate, public markets, structured debt and fixed income.

He is an early investor in and a Board member of True North, a leading Indian private equity fund, which manages approximately \$3.5 billion. He is also the founder and Chairman of Landmark Holdings, a real estate investment firm. He co-founded GTI, a long term investment vehicle for India focused investments.

He is a Board member of Brookings India and a member of the Governing Board of The Institute for New Economic

Thinking in New York. He is Chairman of the Indian Advisory Board of Room to Read, a global education charity. He is an op-ed contributor to The Economic Times, The Times of India and Financial Times.

He was selected as a Global Leader for Tomorrow by the World Economic Forum in 2000. Gaurav Dalmia received an MBA with Beta Gamma Sigma honors from Columbia Business School.

Mr. Dalima joined our Board as Independent Director in February 2010.

Mr. Dalmia has been re-appointed as an independent director after seeking necessary approval from the shareholders of the company for the second term of five years with effect from April 1, 2019.

Mr. Dilip Cherian, Independent Director

Mr. Dilip Cherian, aged 65 years, is an Independent Director of the Company. He holds bachelors' and masters' degree in Economic and is a Gurukul Chevening Fellow from the London School of Economics. Mr. Cherian is Founder & Consulting Partner of Perfect Relations, South Asia's leading image management consultancy. He advises CEOs on External Communications, Internal Communications and Public Affairs.

Mr. Cherian has been the National Chair of the International Public Relations Association. He is on the Governing Board of Advertising Standards Council of India and served on the Board of Advisors at Mudra Institute of Communication, Ahmedabad and the Governing Council of the National Institute of Design. Mr. Cherian recently was a part of the Apex Committee of Shareholder Grievance of the Ministry of Corporate Affairs.

Mr. Cherian serves on the Board of several companies and social organizations. Mr. Cherian joined our Board as an Independent Director in February 2010.

Mr. Cherian has been re-appointed as an independent director after seeking necessary approval from the shareholders of the company for the second term of five years with effect from April 1, 2019.

Mr. Aditya Vikram Ramesh Somani, Independent Director

Mr. Aditya Vikram Ramesh Somani, aged 46 years is an Independent Director of the Company. Mr. Somani is an entrepreneur and over the last 26 years he has successfully built various companies. He has had business interests in manufacturing of building products, real estate, construction, distribution, information management

and textiles and is an independent Board member or advisor in various organizations. He is fascinated by Lean Manufacturing, Fast Construction, Full-kit Project Planning and Singularity, concepts that he has successfully distilled in his organisations.

He holds a Masters degree in Commerce from Sydenham College, Mumbai, Post Graduate Diploma in Business Management from S P Jain Institute of Management and Research, Mumbai and Masters in Business Administration from University of Pittsburgh, USA.

Further, Mr. Somani is associated with various social service organizations working towards better education, health and skill building amongst weaker sections of society and is deeply involved with organisations in the area of culture, philanthropy and urban conservation.

Mr. Somani joined our Board as Independent Director in February 2010.

Mr. Somani has been re-appointed as an independent director after seeking necessary approval from the shareholders of the company for the second term of five years with effect from April 1, 2019.

Ms. Lilian Jessie Paul, Independent Director

Ms. Lilian Jessie Paul, aged 50 years is an Independent Director. She holds Master's degree from IIM Calcutta and a Bachelor's degree in Computer Science and Engineering from National Institute of Technology, Trichy.

Ms. Paul is the founder of Paul Writer (www.paulwriter.com), a marketing advisory firm that works with clients to design targeted outreach campaigns that result in business impact. She now drives the Paul Writer Impact Network, an agency network dedicated to managing and optimising the complete buyer journey.

Ms. Paul has 26 years of experience as a marketer. She was Global Brand Manager of Infosys, headed marketing for iGATE (now a part of CapGemini) and was Chief Marketing Officer of Wipro Technologies. She commenced her career with Ogilvy & Mather Advertising.

Ms. Paul is frequently cited as a marketing expert in publications and is the author of No Money Marketing, published by Tata McGraw-Hill. She publishes a newsletter that reaches India's top marketers and has crossed 400 issues.

Ms. Paul joined our Board as Independent Director in March 2019.

Ms. Paul has been appointed as an independent director by the shareholders of the company for the first term of five years with effect from March 18, 2019.

During the year, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

Core Skills/Expertise/Competencies of Board

The Nomination, Remuneration and Corporate Governance Committee has laid down the following core skills/expertise/competencies for Board Membership:

(i) Directors

- Must have relevant experience in Finance/Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Should possess the highest personal and professional ethics, integrity and values.
- Must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.
- Must have behavioral competencies such as collaborative and ability to work as a team member, seeking and giving feedback to/from individual directors, be challenging but supportive in the board room.
- Willingness and ability to devote adequate time and energy to fulfil board and committee responsibilities, strategic thinking, integrity with high ethical standards, trust, accountability and avoid situations leading to conflict of interest.
- Any person to be appointed as Director shall not possess the disqualifications contained in the Companies Act, 2013, as amended from time to time.

(ii) Independent Director

An Independent Director shall comply and meet with all the criteria laid down in Listing Regulations and the Companies Act, 2013 and Rules made thereunder. Further, the Independent Director shall adhere to the Code of Ethics (Code of Conduct) adopted by the Company.

The core skills / expertise / competencies as identified by the Board of Directors as required in the context of the Company's business(es) and sector(s) for it to function effectively and those available with the Board

are given below. The matrix below highlights the skills and expertise, which are currently available with the Board of the Company.

Key Skill Area	Skills/ Expertise/ Competencies	Mr. Kushagra Nayan Bajaj	Mr. Jaideep Nandi	Mr. Sumit Malhotra	Mr. Gaurav Dalmia	Mr. Aditya Vikram Somani	Mr. Dilip Cherian	Ms. Lilian Jessie Paul
Business & Strategy	Consumer Insight & Marketing	Y	Y	Y	Y	Y	Y	Y
	Technical & R&D	Y	Y	Y	Y	-	Y	Y
	Economic Issues/ Macro Economic Trends/ Interpretation of National Policies	Y	Y	Y	Y	Y	Y	Y
	E-Commerce, Digital, new technologies & M&A	Y	Y	Y	Y	Y	Y	Y
Operations	Sales & Customer Management	Y	Y	Y	Y	Y	Y	Y
	Operation Management & Risk Mitigation	Y	Y	Y	Y	Y	Y	Y
	Finance, Treasury & Audit	Y	Y	Y	Y	Y	Y	Y
Environment	Sustainability (water, sanitation, community development, CSR)	Y	Y	Y	Y	Y	Y	Y
	Scientific & Regulatory Affairs	Y	Y	Y	Y	-	Y	Y
	Media, Local Interactions & Environment Assessment	Y	Y	Y	Y	Y	Y	Y
	Climate Change	Y	Y	Y	Y	Y	Y	Y
Other Enables	Innovation Management	Y	Y	Y	Y	Y	Y	Y
	Human Resource & Talent	Y	Y	Y	Y	Y	Y	Y
	Communication	Y	Y	Y	Y	Y	Y	Y
	General Management and Board governance	Y	Y	Y	Y	Y	Y	Y

Performance evaluation criteria of Independent Directors

Independent Directors are evaluated based on parameters such as qualification, experience, knowledge and competency, ability to function as a team, initiative, commitment, independence, independent views and judgement, attendance and participation in the discussion at the Meetings, adherence to the Code for Independent Directors of the Company, understanding the environment in which the company operates and contribution to strategic decision and raising valid concerns at the Board, interpersonal relations with other directors and management, objective evaluation of Board's performance, safeguarding of confidential information and maintaining integrity.

Board Procedure

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other

Board business. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board Meeting.

Department heads communicate with the Company Secretary in advance with regard to matters requiring the approval of the Board to enable inclusion of the same in the agenda for the Board Meetings. The detailed agenda as approved by the Chairman as well as Managing Director together with the relevant attachments are circulated amongst the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Where it is

not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Directors. Senior Management Personnel are invited to the Board/Committee Meeting(s) to provide additional inputs for the items being discussed by the Board/Committees thereof as and when necessary. Further, presentations are made on business operations to the Board by the Functional Heads of the Company. Additionally, presentations are also made on various matters which the Board wants to be apprised of. In addition to above, the Company, in compliance with Regulation 17(7) and Schedule II, Part A of the Listing Regulations, places before the Board all the required information from time to time.

The Company Secretary is responsible for convening of the Board and Committee Meetings and preparation of respective Agenda. The Company Secretary attends all the Meetings of the Board and its Committees, advises/assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

With a view to leverage technology and to reduce paper consumption, the Company has adopted a web-based application for transmitting Board/Committee Agenda and Minutes. The Directors of the Company receive the Agenda in electronic form through this application. The application meets high standards of security and integrity that is required for storage and transmission of Board/ Committee Agenda and Minutes in electronic form.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the Members of the Board or the Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairman. The Minutes are approved by the Members of the Board/Committee(s) prior to the next Meeting. The signed Minutes are circulated to all the Members of the Board or the Committee within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors.

Information provided to the Board

The Board of Directors of the Company has complete access to any information within the Company. At the Meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all other relevant details that require deliberation by the Members of the Board. The Company, in compliance with Regulation 17(7) and Schedule II, Part A of the Listing

Regulations, places before the Board all the required information from time to time.

Comprehensive information regularly provided to the Board, inter alia, include:

- I. Production, sales and financial performance statistics;
- II. Expansion plans, financial plans, annual operating plans, capital expenditure budgets and updates;
- III. Plant-wise operational review;
- IV. Quarterly financial results of the Company;
- V. Utilisation of IPO proceeds;
- VI. Minutes of Meetings of Board and Committees as well as the abstracts of the Circular Resolutions passed and also Board Minutes of Subsidiary Companies;
- VII. Disclosures under Companies Act, 2013 and Listing Regulations;
- VIII. Materially important legal proceedings by or against the Company;
- IX. Share transfer and dematerialization/ rematerialization and other share related compliance;
- X. Significant developments relating to labour relations and human resource relations;
- XI. Fatal/serious accidents or mishaps and any material effluent or pollution problems;
- XII. Show cause, demand, prosecution notices and penalty notices, which are materially important;
- XIII. Details of foreign exchange exposure and steps taken by management to limit the risk of adverse rate movement;
- XIV. Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business;
- XV. Details of any joint venture or collaboration agreement;
- XVI. Transactions that involves substantial payment towards goodwill, brand equity or intellectual property;
- XVII. Details of acquisition plans;
- XVIII. Information Technology strategies and related investments;
- XIX. Legal compliances reporting system;
- XX. Insider trading related disclosure procedures and such other matters;

- XXI. Significant transactions entered by the Company and its Subsidiaries;
- XXII. Material default, if any, in the financial obligations to and by the Company or substantial non-payment for goods sold, if any;
- XXIII. Non-compliance of any regulatory, statutory or listing requirements and investor service, if any;
- XXIV. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, if any, which may have strictures on the conduct of the Company.

Post-meeting follow-up

The important decisions taken at the Board/Committee Meetings are communicated to the departments/ subsidiary companies concerned promptly.

Attendance at Board Meetings, Last Annual General Meeting, relationship between Directors inter-se, No. of Directorships and Committee Memberships/ Chairpersonships and Listed entities where the person is a Director & Category of Directorship

The Board met five times during the Financial Year 2020-21 namely, June 18, 2020; June 30, 2020; July 16, 2020; October 16, 2020, and February 03, 2021. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

The details of attendance of each Director at the Board Meetings held during the year and the last Annual General Meeting (AGM) along with the number of Companies and Committees where he/she is a Director/Member/ Chairperson and the relationship between the Directors inter-se, as on March 31, 2021, are given below:

Name of the Director	Category	Relationship with other Director	Board Meeting Attendance		Attendance at the last AGM held on September 21, 2020	No. of Directorship(s) in other companies (a)	No. of Committee position(s) held in other public companies (b)	Listed entities where the person is a director & category of directorship
			Held	Attended				
Mr. Kushagra Nayan Bajaj (Chairman) (DIN : 00017575)	Non- Executive, Non- Independent	None	5	5	No	3	0	Bajaj Hindusthan Sugar Limited- Chairman & Managing Director
Mr. Jaideep Nandi (Managing Director) (DIN: 06938480)	Executive (w.e.f. 01.07.2020)	None	5	5	Yes	-	-	Nil
Mr. Sumit Malhotra (DIN : 02183825)	Executive (up to 30.06.2020) Non- Executive (w.e.f. 01.07.2020)	None	5	5	Yes	1	0	Nil
Mr. Aditya Vikram Ramesh Somani (DIN : 00046286)	Independent	None	5	5	Yes	1	0	Nil
Mr. Dilip Cherian (DIN : 00322763)	Independent	None	5	5	Yes	7	0	Nil
Mr. Gaurav Dalmia (DIN : 00009639)	Independent	None	5	5	Yes	8	1	Landmark Property Development Company Limited- Managing Director
Ms. Lilian Jessie Paul (DIN : 02864506)	Independent	None	5	5	Yes.	2	3	Royal Orchid Hotels Limited and Expleo Soutions Limited as Independent Director

- The Directorships held by Directors as mentioned above, includes private companies and companies incorporated under Section 8 of the Companies Act, 2013.
- Memberships include Chairpersonship. Only Memberships of Audit Committee and Stakeholders Relationship Committee are considered.
- None of the Directors are related inter-se.

Separate Meeting of Independent Directors

As stipulated by Section 149(8) read with Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a meeting of the Independent Directors of the Company was held during the year, without the attendance of Non-Independent Directors and Members of the management, to review the performance of the Chairman, Non-Independent Directors, various Committees of the Board and the Board as a whole. The Independent Directors also reviews the quality, content and timeliness of the flow of information from the Management to the Board and its Committees which is necessary to perform reasonably and discharge their duties.

Familiarisation Programme for Independent Directors

As stipulated by Section 149 read with Schedule IV, Part III of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Company familiarizes its Independent Directors on their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc. The familiarization programme for Independent Directors is disclosed on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

Evaluation of Board's Performance

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the working of its Committees.

The Nomination, Remuneration and Corporate Governance Committee have defined the evaluation criteria for the Board, its Committees and Directors.

- i. Attendance at the Board/Committee Meetings.
- ii. Active participation in the Meetings.
- iii. Understanding the critical issues affecting the Company.
- iv. Prompting discussion on strategic issues.
- v. Bringing relevant experience to the Board and using it effectively.
- vi. Understanding and evaluating the risk environment of the Organization.
- vii. Conducting himself/herself in a manner that is ethical and consistent with the laws of the land.

- viii. Maintaining confidentiality wherever required.
- ix. Communicating in an open and constructive manner.
- x. Seeking satisfaction and accomplishment through serving on the Board.

The Board and its Committees, Individual Directors and Independent Directors were evaluated based on above criteria. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board Members. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

The Nomination, Remuneration and Corporate Governance Committee also reviewed the performance of the Board.

The Directors were satisfied with the evaluation results, which reflected the overall functioning of the Board and its Committees. The details of the policy on evaluation of Board's performance is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

Succession Planning

The Company has a mechanism in place for ensuring orderly succession for appointments to the Board and senior management.

Risk Management

The Company recognizes that its activities are routinely exposed to the risks that a Fast Moving Consumer Goods (FMCG) Company faces today. The Company is also aware that some risks it faces are somewhat different to those that generally exist in the FMCG business. The Board has adopted a Risk Management Policy primarily aimed at mitigating the effects of the risks faced through identification and mitigating the effects that the risks pose to the Company. The Board has constituted a Risk Management Committee to oversee risk environment and suggest mitigations plans. The details of the Risk Management Policy are available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

Responsibilities of Managing Director

Mr. Jaideep Nandi, Managing Director, is at the helm of affairs. The Managing Director is responsible for leading and directing the Company's overall operations.

Code of Ethics (Code of Conduct)

The Company has adopted a Code of Ethics (Code of Conduct) for the Directors and Senior Management of the Company. The same has been posted on the Company's website at <https://bajajconsumercare.com/policies.aspx>. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The declaration by the Managing Director to that effect forms part of this Report.

Whistle Blower Policy (Vigil Mechanism)

The Board of Directors of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognize that each and every person in the Company has an important role to play in achieving the organizational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect violations of laws, rules, regulations, unethical conduct, questionable accounting/audit practices, reporting of fraudulent financial information to shareholders, the Government or the financial markets and/or serious misconduct otherwise, to report those concerns to the Company's management.

The 'Whistle Blower' Policy adopted by the Company provides a ready mechanism for reporting violations of laws, rules, regulations or unethical conduct. The confidentiality of the 'whistle blower' is maintained and he/she is not subjected to any victimization and/or harassment. The present Whistle Blower Policy is in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. Every employee of the Company has been provided access to the Audit Committee Chairman through email/ correspondence address, should they desire to avail

of the Vigil Mechanism. The details of the Policy are available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

Board Committees

Establishing Committees is one way of managing the work of the Board, thereby strengthening the Board's governance role. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities. The Board has constituted a set of Committees with specific terms of reference/scope, to focus effectively on the issues and ensure expedient resolution of diverse matters. These Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meetings of all Committees are placed before the Board for discussions/ noting. The Board Committees can request special invitees to join the meeting, as appropriate. As of March 31, 2021, the Board had following six Committees:

- Audit Committee
- Nomination, Remuneration and Corporate Governance Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Management Committee
- Risk Management Committee

Committee	Members
Audit Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive) Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive) Mr. Dilip Cherian (Independent, Non-Executive) Ms. Lilian Jessie Paul, (Independent, Non-Executive)
Nomination, Remuneration and Corporate Governance Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive) Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive) Mr. Dilip Cherian (Independent, Non-Executive)
Stakeholders Relationship Committee	Mr. Dilip Cherian, Chairman* (Independent, Non-Executive) Mr. Jaideep Nandi (Non-Independent, Executive) Mr. Kushagra Nayan Bajaj (Non-Independent, Non-Executive) Mr. Sumit Malhotra (Non-Independent, Non-Executive)
CSR Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive) Mr. Dilip Cherian (Independent, Non-Executive) Mr. Jaideep Nandi (Non-Independent, Executive) Mr. Sumit Malhotra (Non-Independent, Non-Executive)

Committee	Members
Management Committee	Mr. Kushagra Nayan Bajaj, Chairman* (Non-Independent, Non-Executive) Mr. Jaideep Nandi (Non-Independent, Executive) Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive) Mr. Gaurav Dalmia (Independent, Non-Executive)
Risk Management Committee	Mr. Aditya Vikram Ramesh Somani, Chairman* (Independent, Non-Executive) Mr. Jaideep Nandi (Non-Independent, Executive) Ms. Lilian Jessie Paul, (Independent, Non-Executive) Mr. Sumit Malhotra (Non-Independent, Non-Executive) Mr. Ankit Chudiwala – Head-Internal Audit Mr. Pankaj Nigam – DGM-Information Technology

*Chairman of the respective Committee

The Chairman of the Board, in consultation with the Company Secretary, determines the frequency and duration of the Committee meetings. Recommendations of the Committees are submitted to the Board for approval. In the case of all the above Committees of the Company, two Members constitute the quorum subject to the specific provisions laid down in the Listing Regulations.

Audit Committee

Composition

The Audit Committee as on March 31, 2021 consists of Mr. Gaurav Dalmia (Chairman of the Committee), Mr. Aditya Vikram Ramesh Somani, Mr. Dilip Cherian and Ms. Lilian Jessie Paul. All the Members of the Audit Committee are Independent Directors. As on March 31, 2021, the compositions of the Audit Committee conform to the requirements of Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and Section 303A.07 of NYSE Listed Company Manual. Further, as required by Section 303A.07 of NYSE Listed Company Manual, the Audit Committee satisfies the requirements of Rule 10A-3 of the US Securities Exchange Act, 1934 (as amended). The Company Secretary act as the Secretary to the Committee.

Meetings and Attendance

The Audit Committee met five times during the year on May 1, 2020, June 18, 2020, July 16, 2020, October 16, 2020 & February 03, 2021. The maximum gap between any two meetings of the Audit Committee of the Company was not more than 120 days as specified under Regulation 18 of the

Listing Regulations. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. Gaurav Dalmia	5	5
Mr. Aditya Vikram Ramesh Somani	5	5
Mr. Dilip Cherian	5	5
Ms. Lilian Jessie Paul	5	5

Mr. Kushagra Nayan Bajaj, Non-Executive Chairman, Mr. Jaideep Nandi, Managing Director and Mr. D.K. Maloo, Chief Financial Officer are permanent invitees to the Audit Committee Meetings. In addition, Head- Internal Audit, representatives of Statutory Auditors and other Executives as are considered necessary, attend these Meetings.

The Chairman of the Audit Committee was present at the 14th AGM of the Company held on September 21, 2020.

Terms of Reference

The terms of reference of the Audit Committee are wide enough to cover the role specified for Audit Committee under Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and Section 303A.07 of NYSE Listed Company Manual. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

- Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- ii. Recommend to the Board, appointment, re-appointment, removal of the Statutory Auditors, Internal Auditors and Secretarial Auditors of the Company, fixation of Audit fees and other terms of appointment;
- iii. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- iv. Review with the Statutory Auditors, Internal Auditors and Secretarial Auditors of the Company any audit problems or difficulties and management's response;
- v. Discuss with Statutory Auditors critical accounting practices and policies and to mediate on any disagreement on accounting treatment or process regarding financial reporting between the Statutory Auditors and the management;
- vi. Reviewing with the management, the quarterly/ annual financial statements and Statutory Auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) disclosure of contingent liability;
 - (h) modified opinion(s) in the draft Audit report;
 - (i) Company's earning press release and investor presentations;
- vii. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- viii. Approval or any subsequent modification of transactions of Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing with the management, independence and performance of Statutory Auditors, Internal Auditors and Secretarial Auditor, effectiveness of Audit process and adequacy of the internal control systems;
- xiii. Reviewing the adequacy of Internal Audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Ensure that there are no unjustified restrictions or limitations on the tasks of the Internal Auditors and review and concur in the appointment, replacement, or dismissal of the Internal Auditor;
- xv. Review the internal audit reports prepared and submitted by the Internal Auditor to the Management;
- xvi. Discussion with Internal Auditors of any significant findings and follow up thereon;
- xvii. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xviii. Discussion with Statutory Auditors before the Audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xix. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xx. To review the functioning of the whistle blower mechanism;
- xxi. Review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- xxii. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up of any instances of non-compliance;
- xxiii. Review the findings of any examinations by regulatory agencies and any auditor observations;
- xxiv. Review the process of communicating Company's Code of Ethics (Code of Conduct) to employees and the

mechanism for its adherence and functioning of the Whistle Blower policy and its mechanism;

xxv. On annual basis, review the financial statements of Company's materially significant subsidiaries;

xxvi. Obtain regular updates from management regarding compliance matters.

xxvii. To review the following:

- a. management discussion and analysis of financial condition and results of operations;
- b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- d. internal audit reports relating to internal control weaknesses; and
- e. terms of appointment, removal and remuneration of the Internal Auditors.
- f. statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Listing Regulations.
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Listing Regulations.

Nomination, Remuneration & Corporate Governance Committee

Composition

Nomination, Remuneration and Corporate Governance Committee consists of Mr. Gaurav Dalmia (Chairman of the Committee), Mr. Aditya Vikram Ramesh Somani and Mr. Dilip Cherian. The Committee was renamed while adopting Corporate Governance standard of NYSE. All the Members of the Committee are Independent Directors. There was no change in the composition of the Committee during the Financial Year. As on March 31, 2021, the composition of the Nomination, Remuneration and Corporate Governance Committee is in conformity with the requirements of Section 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations.

Meetings and Attendance

The Nomination, Remuneration and Corporate Governance Committee met two times during the year on June 18, 2020

and February 03, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. Gaurav Dalmia	2	2
Mr. Aditya Vikram Ramesh Somani	2	2
Mr. Dilip Cherian	2	2

Terms of Reference

The terms of reference of the Nomination, Remuneration and Corporate Governance Committee are wide enough to cover the role specified under Section 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

- i. To identify individuals qualified to be Board Members and in the Senior Management, consistent with criteria approved by the Board and to periodically examine the structure, composition and functioning and performance of the Board, its Committees & Senior Management and recommend changes, as necessary;
- ii. To recommend new Board Members in light of resignation of current Members or a planned expansion of the Board;
- iii. To recommend to the Board of Directors to serve on each of the Board Committee;
- iv. To formulate the criteria for evaluation of Independent Directors and the Board.
- v. To formulate the criteria for determining the qualifications, positive attributes and independence of a Director.
- vi. To recommend to the Board, remuneration policy for Directors, Key Managerial Personnel and other employees.
- vii. To develop and recommend to the Board, a set of Corporate Governance Guidelines;
- viii. To oversee the evaluation of the Board, Committees of the Board and the management.
- ix. To assess the Company's policies and processes in key areas of Corporate Governance, other than those explicitly assigned to other Board Committees, with a view to ensuring the Company is at the forefront of good corporate governance;
- x. Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;

- xi. Examine the impact of significant regulatory and statutory changes applicable to the governance practices of the Company and to recommend measures to implement the same;
- xii. To regularly examine ways to strengthen the Company's organizational health, by improving the hiring, retention, motivation, development, deployment and behavior of management and other employees. In this context, the Committee will also review the framework and processes for motivating and rewarding performance at all levels of the organization, will review the resulting compensation awards and will make appropriate proposals for Board approval. In particular, it will recommend all forms of compensation to be granted to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.
- xiii. recommend to the board, all remuneration, in whatever form, payable to senior management.]

Stakeholders Relationship Committee

Composition

The Stakeholders Relationship Committee as on March 31, 2021 consists of Mr. Dilip Cherian (Chairman of the Committee), Mr. Kushagra Nayan Bajaj, Mr. Sumit Malhotra & Mr. Jaideep Nandi. The composition of the Committee was changed during the Financial Year. As on March 31, 2021, the composition of the Stakeholders Relationship Committee is in conformity with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Mr. Chandresh Chhaya, Company Secretary is designated as the Compliance Officer. The Company has a designated e-mail id complianceofficer@bajajconsumer.com for the purpose of registering complaints by shareholders/investors/security holders electronically. This e-mail id is displayed on the Company's website at www.bajajconsumercare.com.

Meetings and Attendance

The Stakeholders Relationship Committee met four times during the year on June 18, 2020, July 16, 2020, October 11, 2020 & February 03, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. Dilip Cherian	4	4
Mr. Kushagra Nayan Bajaj	4	4
Mr. Sumit Malhotra	4	4
Mr. Jaideep Nandi (*)	2	2

(*) Inducted as member during the year.

Terms of Reference

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional terms of reference of the Committee are as follows:

- i. rematerialisation, etc. and other shares related formalities.
- ii. Review and oversee the process of resolving of shareholders/ investors / security holders grievances.
- iii. Oversee compliances in respect of dividend payments and matters related thereto.
- iv. Advise the Board of Directors on matters which can facilitate better investor services and relations.
- v. Review movements in shareholding and ownership structures of the Company.
- vi. Ensure setting up proper controls and oversee the performance of the Registrar and Share Transfer Agent.
- vii. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Details of Shareholders' Complaints:

During the year under review, the Company/its Registrar and Transfer Agent received the following complaints from SEBI/ Stock Exchanges and queries from the shareholders, which were resolved within the time frame laid down by SEBI:

Complaints pending as on April 1, 2020	NIL
Complaints received during the year	138
Complaints resolved during the year	138
Complaints pending as on March 31, 2021	NIL

Corporate Social Responsibility (CSR) Committee

Composition

The CSR Committee as on March 31, 2021 consists of Mr. Gaurav Dalmia (Chairman of the Committee), Mr. Dilip Cherian, Mr. Sumit Malhotra and Mr. Jaideep Nandi. The composition of the Committee was changed during the Financial Year. As on March 31, 2021, the composition of the CSR Committee is in conformity with the requirements of Section 135 of the Companies Act, 2013.

Meetings and Attendance

The CSR Committee met twice during the year on June 16, 2020 and July 16, 2020. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. Gaurav Dalmia	2	2
Mr. Dilip Cherian	2	2
Mr. Sumit Malhotra	2	2
Mr. Jaideep Nandi (*)	1	1

(*) Inducted as member during the year.

Terms of Reference

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of CSR policy. The terms of reference of the CSR Committee is in conformity with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder which are as follows:

- To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and Rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the CSR Policy of the Company from time to time.

The Company has also adopted a CSR Policy in compliance with the aforesaid provisions and the same is placed on the Company's website at <https://bajajconsumercare.com/policies.aspx>

Risk Management Committee

Pursuant to Regulation 21 of the Listing Regulations, the Board of Directors have constituted a Risk Management Committee which has maximum representation from the board and also from the senior management of the Company.

The Risk Management Committee as on March 31, 2021 consists of Mr. Aditya Vikram Ramesh Somani (Chairman of the Committee), Mr. Sumit Malhotra, Ms. Lilian Jessie Paul, Mr. Jaideep Nandi, Mr. Ankit Chudiwala and Mr. Pankaj Nigam. The composition of the Committee was changed during the Financial Year. As on March 31, 2021, the composition of the Risk Management Committee is in conformity with the requirements Regulation 21 of the Listing Regulations.

Meetings and Attendance

The Risk Management Committee met once during the year on March 26, 2021. The attendance of each Committee Member is as follows:

Name of the Director/Member	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. Aditya Vikram Ramesh Somani	1	1
Mr. Sumit Malhotra	1	1
Ms. Lilian Jessie Paul	1	1
Mr. Jaideep Nandi	1	1
Mr. Ankit Chudiwala	1	1
Mr. Pankaj Nigam	1	1

Terms of reference

The terms of reference of the Risk Management Committee are as under:-

- Provide framework for identification of risks of the Company including cyber risks.
- Risk assessment and mitigation measures.
- Framing, implementing and monitoring the risk management plan for the Company.
- To put in place appropriate structures to effectively address the inherent risks in business.
- Oversee the implementation of Risk Management Systems and Framework.
- Carrying out any other function as may be decided by the Board or prescribed under the Companies Act, Listing Regulations, including any amendment(s) thereto as may be made from time to time, or by any other regulatory authority.

Nomination, Remuneration and Corporate Governance Policy

The Nomination, Remuneration and Corporate Governance Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non- Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

As required by Section 178(3) of the Companies Act, 2013, Regulation 19 of the Listing Regulations the Company has adopted Nomination, Remuneration and Corporate Governance Policy defining in detail the objective, roles and responsibilities of the Committee. The policy is available on the Company's Website at <https://bajajconsumercare.com/policies.aspx>

Remuneration of Directors

(i) Pecuniary relationship and transactions of Non-Executive Directors with the Company

Except for sitting fees paid to Non-Executive Directors for attending the respective meetings of Board/Committees, the Company has not entered into any pecuniary relationship with any Non-Executive Director. The Register of Contracts maintained by the Company pursuant to the provisions of Section 189 of the Companies Act 2013, contains particulars of all contracts or arrangements to which Sections 184 or 188 apply. The Register is signed by all the Directors present during the respective Board Meetings held from time to time.

(ii) Criteria of making payment to Non-executive Directors

- Non-executive Directors may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be Members and commission within regulatory limits, as recommended by the Nomination, Remuneration and Corporate Governance Committee and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Non-Executive Directors aligned to the requirements of the Company; taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/industry/Company's operations.
- The remuneration payable shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination, Remuneration and Corporate Governance Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

(iii) Remuneration of Non-Executive Directors

Non-Executive Directors (except Mr. Sumit Malhotra) are being paid sitting fee of ₹ 20,000 for attending each Board Meeting and ₹ 15,000 for attending each Committee Meeting. The Company has not paid any commission to Non- Executive Directors for the year under review. Mr. Sumit Malhotra, Director & Advisor was paid monthly fees of ₹ 12.50 lacs plus Goods & Service Tax with effect from July 01,2020 which is within the limit prescribed under Section 197(3) of The Companies Act, 2013 read with Schedule V as amended.

(iv) Remuneration of Executive Directors

The Executive Director, Mr. Jaideep Nandi was paid remuneration as per his terms of appointment approved by the shareholders of the Company. The appointment of Managing Director may be terminated by the Company or the Managing Director, by giving 3 months' notice to the other side or Salary in lieu thereof.

Upon retirement, Mr. Jaideep Nandi will be entitled to retiral benefits as per the rules of the Company. No pension will be paid by the Company to any of the Directors. Mr. Sumit Malhotra who was Managing Director was paid retirement benefit upon his retirement on June 30,2020

The Company did not advance any loans to any of the Executive and/or Non-Executive Directors during the year under review.

The details of remuneration and sitting fees paid to the Directors of the Company during the Financial Year 2020- 21 are as follows:

(₹ In lacs)						
Name of Directors	Salary (Net)	Professional Fees	Commission	Sitting fees	Total	Notice period
Mr. Kushagra Nayan Bajaj	-	-	-	1.60	1.60	N.A.
Mr. Sumit Malhotra (Managing Director upto June 30,2020)	430.81	112.50	-	-	543.31	N.A.
[Director & Advisor w.e.f. July 1, 2020]						
Mr. Jaideep Nandi (Managing Director w.e.f. July 1,2020)	219.56	-	-	-	219.56	3 months
Mr. Aditya Vikram Ramesh Somani	-	-	-	2.20	2.20	N.A.
Mr. Dilip Cherian	-	-	-	2.95	2.95	N.A.
Mr. Gaurav Dalmia	-	-	-	2.35	2.35	N.A.
Ms. Lilian Jessie Paul	-	-	-	1.90	1.90	N.A.

Note:

- Outstanding Stock options given to Mr. Sumit Malhotra, lapsed upon his demitting office as Managing Director.
- The Nomination, Remuneration and Corporate Governance Committee reviews performance of Executive Director in consultation with the Head of Human Resources and decides Performance Linked Incentive.

Credit rating

During the year, CRISIL has assigned CRISIL A1+ rating to the commercial paper of ₹ 100 crore issued by the Company and that there was no revision in the rating so granted.

Statutory Auditors' Fees

The total fees for all services paid to the statutory auditors are given in note No. 31 of the Notes to the Standalone Financial Statements for the year ended March 31, 2021.

Details of compliance with mandatory requirements and adoption of non-mandatory (discretionary) requirements

The Company has complied with all mandatory requirements of Listing Regulations.

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

Maintenance of the Chairman's Office

The office of the Non-Executive Chairman of the Company is not maintained by the Company. Further no expenses pertaining to the Chairman's office are reimbursed by the Company.

Shareholders rights

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

Modified opinion(s) in audit report

There are no modified opinions in audit report.

Separate posts of Chairman and CEO

The Chairman of the Board functions in a non- executive capacity. The Managing Director is vested with full executive powers of management under the superintendence and control of the Board of Directors.

Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

Subsidiary Companies

Based on the revised criteria for determination of material subsidiary under listing regulations, Uptown Properties & Leasing Private Limited, has become a material subsidiary of the Company from April 1, 2019. The Board reviews the financial statements, particularly investments made by its unlisted subsidiaries and the minutes of the Board Meetings of the unlisted subsidiaries are placed at the Board Meeting of the Company along with a statement of all significant transactions and arrangements entered into by the unlisted subsidiaries. The details of the policy on determining material subsidiary of the Company is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

Information to Shareholders

General information of shareholders' interest is set out in a separate section titled "Shareholder Information".

Auditors' Certificate on Corporate Governance

The Company has obtained a certificate from its Statutory Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in Listing Regulations. This certificate is annexed to the Corporate Governance Report for the Financial Year 2020-21 and will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

Certificate from Practicing Company Secretary

M/s Gupta Baul & Associates has issued a certificate that none of the directors have been debarred or disqualified from being appointed or continuing as directors by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any other statutory authority. This certificate is annexed to this corporate governance report.

Report on Corporate Governance

This section, read together with the information given in the sections (i) Management Discussion and Analysis and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the Financial Year 2020-21.

Management Discussion and Analysis Report & Business Responsibility Report

Management Discussion and Analysis Report and Business Responsibility Report are given in a separate section forming a part of this Annual Report.

Steps for Prohibition of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted

a 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by insiders' and 'Code of Fair Disclosure' of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organisation. Additionally, in compliance with the amended Insider Trading Regulations, the Company has also implemented Whistle Blower Policy to Report Instances of Leak of Unpublished Price Sensitive Information & Procedures for Inquiry thereon. The Company has conducted Sensitization programme for designated person to create awareness and ensure compliance under this regulation.

All compliances relating to Code of Conduct for Prevention of Insider Trading are being managed through a web based digital data base.

Material Disclosures and Compliance

Details of Related Party Transactions during the year have been set out under Notes forming part of Statement on Significant Accounting Policies & Notes forming Part of the Accounts. These are not having any potential conflict with the interests of the Company at large.

Disclosures

No material contract or arrangements with related parties were entered into during the year under review. The Related Party Transactions Policy is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

- The Company follows Accounting Standards issued by Ministry of Corporate Affairs in preparation of its

financial statements and the Company has not adopted a treatment different from that prescribed in an Accounting Standards.

- Pursuant to Regulation 18 of the Listing Regulations, the statement of uses and application of Public Issue proceeds are disclosed to the Audit Committee as part of the quarterly unaudited and annual audited financial statements.
- No transaction of material nature has been entered by the Company with its Promoters, Directors and their Relatives, Management, etc. that may have potential conflict with the interest of Company at large.
- The Company publishes its criteria of making payment of sitting fee/remuneration to its Non- Executive Directors in the Annual Report.
- Except Mr. Sumit Malhotra, Non- Executive Director, No other Directors of the Company hold any Equity Shares in the Company as on March 31, 2021.
- A new appointee on the Board discloses his/ her shareholding in the Company prior to the appointment. These details are also disclosed in the notice to the general meeting called for the appointment of Directors.

Details of Non-compliance

During the last 3 years, there were no instances of non-compliance on any matter related to the capital markets. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets.

Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Listing Regulations for the Financial Year 2020-21

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation to the Non-Executive Directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and review of information by the Committee	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
3	Nomination, Remuneration & Corporate Governance Committee	19(1) & (2)	Composition of Nomination, Remuneration & Corporate Governance Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholder Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	Yes
		21(4)	Role of the Committee	Yes
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7	Related Party Transaction	23(1),(5),(6),(7) & (8)	Policy for Related Party Transaction	Yes
		23(2)&(3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions.	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from Members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct for Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism/ Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non- Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes

Shareholder Information

Information on general body meetings

Date, Time and Venue of 15th AGM :	Monday, June 21 2021 at 11.00 A.M. Meeting by Video Conferencing (VC)/ OAVM. Deemed Venue of the meeting: Registered Office of the Company.
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The previous three Annual General Meetings (AGM) of the Company were held on the following day, date, time and venue.

AGM	Day, Date & Time	Venue
12 th AGM	Monday, July 23, 2018 at 10:00 A.M.	Crimson Park Shree Kanak Hotel, 328-A, Sevashram Chouraha, Airport Road, Udaipur - 313 001, Rajasthan
13 th AGM	Monday, July 15, 2019 at 10:00 A.M.	Crimson Park Shree Kanak Hotel, 328-A, Sevashram Chouraha, Airport Road, Udaipur - 313 001, Rajasthan
14 th AGM	Monday, September 21, 2020 at 10.00 A.M.	Conducted as per MCA Circular for conducting Meeting by VC/ OAVM. Deemed Venue of the meeting: Registered Office of the Company.

The summary of Special Resolutions and other important resolutions passed at the previous three Annual General Meetings are reported below:

12th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Approval for increase of remuneration payable to Mr. Sumit Malhotra, Managing Director of the Company to enable him to exercise Stock Options granted to him under RSU 2018.	Special Resolution
2. Approval pursuant to the provisions of Section 20 of the Companies Act, 2013 to charge a member for delivery of documents through a particular mode of services	Special Resolution

13th AGM

No Special resolution was passed. No business other than ordinary business was transacted.

14th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Ratification of change in Designation and payment of Remuneration to Mr. Sumit Malhotra.	Special Resolution
2. Appointment & Remuneration of Mr. Jaideep Nandi as Managing Director of the Company for a period of 5 years with effect from July 01, 2020	Ordinary Resolution

Postal Ballot

During the year, there were no postal ballot conducted.

Extraordinary General Meeting (EGM)

During the year, an EGM was held on July 30, 2020 which was conducted in terms of MCA Circulars to conduct general meetings through OAVM and duly passed the following resolutions.

Subject matter of the Resolutions	Type of Resolutions
1. Alteration of Memorandum of Association of Company to align with the provisions of The Companies Act, 2013.	Special Resolution
2. Alteration of Articles of Association of Company to confirm with the provisions of The Companies Act, 2013.	Special Resolution

Dividend Announcement

An interim Dividend of ₹ 6/- per equity shares was declared by the Board of Directors at its meeting held on February 03, 2021. A final Dividend of ₹ 4/- per share is proposed to be declared at the 15th Annual General Meeting of the Company.

Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividends not encashed/claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such unencashed/unclaimed dividend to IEPF are furnished hereunder:

Dividend for the Financial Year	Date of Declaration of Dividend	Tentative Date of transfer to the IEPF
2014-2015	October 16, 2014	November 21, 2021
2015-2016	January 7, 2016	February 12, 2023
2016-2017	January 12, 2017	February 18, 2024
2017-2018	January 11, 2018	February 16, 2025
2018-2019	January 9, 2019	February 14, 2026
2019-2020	September 21, 2020	October 27, 2027
2020-2021	February 3, 2021	April 10, 2028

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

Declaration relating to Unclaimed Shares

In terms of Regulation 39 of the Listing Regulations, Members of the Company are requested to note that as on March 31, 2021, there are no unclaimed shares and as such the detail pertaining to demat suspense account / unclaimed shares are not provided.

Tentative Financial Calendar

Book Disclosure : Tuesday, June 15, 2021 to Monday, June 21, 2021

Financial Results

Q1 FY 2021-22: 2nd/ 3rd Week of July 2021

Q3 FY 2021-22: 2nd/ 3rd Week of October 2021

Q1 FY 2021-22: 2nd/ 3rd Week of January 2022

Q4 and Annual: Q1 FY 2021-22: 2nd/ 3rd Week of April 2022.

Information on Directors being re-appointed

The information regarding Mr. Kushagra Bajaj (DIN: 00017575), Director, seeking re-appointment at the ensuing AGM along with his detailed profile and additional information required under Regulations 36(3) of Listing Regulations and Secretarial Standard on General Meetings is given in the Notice convening AGM.

Communication to Shareholders

The Company has published its quarterly, half-yearly and annual financial results in the News Papers viz. Economic Times (English) and Jai Rajasthan (vernacular). Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company at www.bajajconsumercare.com.

The official press releases and presentation made to Institutional Investors/Analysts, if any, are sent to the Stock Exchange in terms of the requirement of Listing Regulations and are also available on the Company's website.

Share Transfer System

The power to approve share transfer/transmission, etc., as well as the dematerialisation/rematerialisation has been delegated to Chairman, Managing Director and the Company Secretary of the Company. All requests pertaining to shares held in physical form as well as requests for dematerialisation/rematerialisation are processed within the prescribed time limit.

There were no shares which were transferred in physical category during the year under review.

SEBI has recently vide notification dated June 8, 2018 and November 30, 2018, mandated that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, shareholders are requested to take action to dematerialise the equity shares of the Company promptly.

Registrar and Share Transfer Agents

KFintech Technologies Private Limited, is the Registrar and Share Transfer Agents (RTA) of the Company which handle all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to shares. The electronic connectivity with both the depositories - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is also handled by KFintech Technologies Private Limited.

Dematerialisation of Shares

During the Financial Year 2020-21, no shares were received for dematerialisation. 2100 shares were rematerialized.

The distribution of shares in physical and electronic modes as at March 31, 2021 and March 31, 2020 are as follows:

Categories	Position as at March 31, 2021		Position as at March 31, 2020		Shares Dematerialised during Financial Year 2020-21	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	2476	0.00	376	0.00	-	0.00
Demat:						
NSDL	13,96,73,166	94.67	14,36,71,035	97.38	-	0.00
CDSL	78,64,517	5.33	38,62,935	2.62	-	0.00
Sub-total	14,75,37,683	100.00	14,75,33,970	100.00	-	0.00
Total	14,75,40,159	100.00	14,75,34,346	100.00	-	0.00

Listing on Stock Exchanges and Stock Codes

The Company's Equity Shares are listed and traded on the following Stock Exchanges:

Name	Address	Stock Code
BSE Limited (BSE)	1 st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	533229
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BAJAJCON

The ISIN of Company's Equity Shares (Face Value of ₹ 1/- each) for NSDL & CDSL is INE933K01021.

The Company has paid listing fees for the Financial Year 2020-21 to both the Stock Exchanges where its shares are listed.

Commodity price risk or foreign exchange risk and hedging activities

During the Financial Year 2020-21, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes to the Financial Statements. Furthermore, the Company has appropriately managed commodity price risk and does not have material exposures. Hence, the disclosures in terms of Securities and Exchange Board of India Circular Number SEBI/HO/CFD/CMO/ CIR/P/2018/0000000141 dated November 15, 2018 is not applicable.

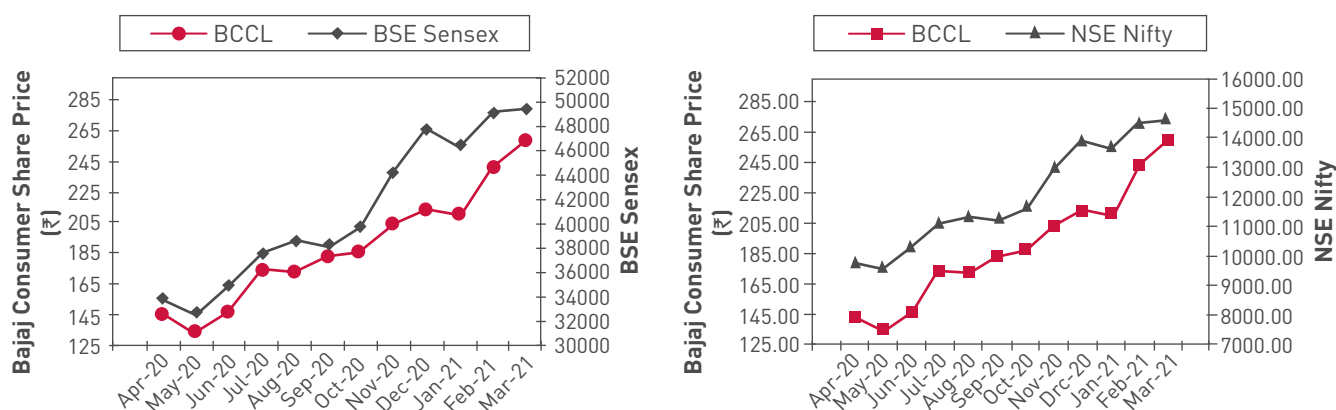
Share Price Data

The details of high/low/closing market price of the Equity Shares of the Company at BSE and NSE during the Financial Year 2020-21 are provided in the table below:

Month	BSE			NSE		
	HIGH	LOW	CLOSING	HIGH	LOW	CLOSING
April 2020	173.75	131.65	145.00	174.00	131.25	144.95
May 2020	145.00	129.00	132.35	144.55	129.00	132.45
June 2020	165.00	133.00	146.20	165.05	133.50	146.15
July 2020	185.50	143.15	175.55	180.45	144.90	175.55
August 2020	195.20	167.45	172.05	195.35	167.20	172.00
September 2020	198.60	163.00	182.15	198.70	163.00	182.80
October 2020	199.00	176.50	186.00	194.70	176.20	186.50
November 2020	208.40	186.00	204.85	208.60	178.15	204.20
December 2020	224.00	193.00	214.14	224.20	193.00	214.30
January 2021	233.00	205.65	209.35	232.80	205.55	209.25
February 2021	283.75	209.05	242.55	269.00	209.00	242.80
March 2021	284.95	242.00	259.90	284.70	242.60	259.90

(in ₹)

The comparable movements of the Company's shares against the broad-based indices, namely BSE Sensex and NSE Nifty during the year ended March 31, 2021 is depicted in Chart below:



Distribution of Shareholding

The shareholding distribution of Equity Shares (Face Value ₹ 1/- each) as at March 31, 2021 is provided in the table below:

Sr. No.	Category	No. of shareholders	% of total shareholders	No. of shares	% of capital
1	up to 5000	73,412	99.13	1,40,56,551	9.53
2	5,001 - 10,000	304	0.41	22,04,484	1.49
3	10,001 - 20,000	136	0.18	19,91,931	1.35
4	20,001 - 30,000	39	0.05	9,78,200	0.66
5	30,001 - 40,000	30	0.04	10,22,727	0.69
6	40,001 - 50,000	16	0.02	7,38,508	0.50
7	50,001 - 1,00,000	41	0.06	29,14,754	1.98
8	1,00,001 & ABOVE	82	0.11	12,36,33,004	83.80
Total		74,060	100.00	14,75,40,159	100.00

Shareholding Pattern

The shareholding pattern (Face Value Re. 1/- each) of the Company as at March 31, 2021 is provided in the table below:

Category	March 31, 2021		March 31, 2020	
	No. of Shares	% of Capital	No. of Shares	% of Capital
Promoters	5,61,25,000	38.04	5,61,25,000	38.04
Mutual Funds/UTI	2,61,85,326	17.75	3,16,95,828	21.48
Financial Institutions/Banks	-	0.00	52,830	0.04
Insurance Companies	-	0.00	-	0.00
Foreign Institutional Investors	3,32,62,995	22.55	4,14,41,470	28.09
NRIs & OCBs	35,28,616	2.39	14,78,339	1.00
Body Corporates	33,01,414	2.24	27,05,343	1.83
Individuals	1,69,18,355	11.47	1,01,48,260	6.88
Others	82,18,453	5.57	38,87,276	2.52
Total	14,75,40,159	100.00	14,75,34,346	100.00

Investor Services

The Company under the overall supervision of Mr. Chandresh Chhaya, Company Secretary, is committed to provide efficient and timely services to its security holders. Before IPO, all the share transfers and related process were being conducted in-house. Post IPO i.e. w.e.f. August 18, 2010, the Company has appointed Karvy Fintech Private Limited as its RTA. The Company Secretary in co-ordination with the RTA, attends and resolves various investor related complaints to the satisfaction of the investors.

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered Shareholder/s. The prescribed form for such nomination can be obtained from the RTA of the Company.

Nomination facility in respect of shares held in electronic form is available with Depository Participants (DPs) as per the bye-laws and business rules applicable to NSDL and CDSL.

Plant Locations:**1. Paonta Sahib, Himachal Pradesh**

Village Batamandi, Tehsil Paonta Sahib, District Sirmaur, Himachal Pradesh - 173 025

2. Dehradun, Uttarakhand

Khasra No. 122/13 MI, Selaqui Industrial Area, Dehradun, Uttarakhand - 248 197

3. Guwahati, Assam

Plot No. 63 & 64, Brahmaputra Industrial Area, Village Silla, Mouza Sila Sinduri Ghopa, Assam - 781 031

Address for Correspondence

Investors and Shareholders can correspond with:

- 1) The Company at the following address:
Secretarial Department
Bajaj Consumer Care Limited
117, 11th Floor, Bajaj Bhawan, Jamanlal Bajaj Marg,
226, Nariman Point, Mumbai - 400 021
Tel: +91 22 2204 9056/58 /8633
Fax: +91 22 2204 8681
E-mail: complianceofficer@bajajconsumer.com
Website: www.bajajconsumercare.com

AND/OR

- 2) The RTA of the Company KFin Technologies Private Limited at their following address:

By Post/ Courier/ Hand Delivery

KFin Technologies Private Limited
Selenium Tower B, Plot 31-32, Gachibowli Financial District,
Nanakramguda, Hyderabad - 500 032
Telangana
Tel No: +91 40 6716 2222
Email Id: einward.ris@kfintech.com
Website: www.kfintechtechnologies.com

Declaration

I, Jaideep Nandi, Managing Director of Bajaj Consumer Care Limited, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a Code of Ethics (Code of Conduct) for all Board Members and senior management of the Company;
- The Code of Ethics (Code of Conduct) has been posted on the website of the Company;
- The Code of Ethics (Code of Conduct) has been complied with.

For **Bajaj Consumer Care Limited**

Jaideep Nandi

Managing Director
(DIN: 06938480)

Place : Mumbai

Date : April 19, 2021

Certificate of Non-Disqualification of Directors

[Pursuant to Schedule V Para C clause 10 of the SEBI (LODR), 2015]

We have examined declarations received from the Directors of Bajaj Consumer Care Limited (CIN: L01110RJ2006PLC047173) and other relevant registers, records, forms, returns filed by the Company.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other statutory authority for the financial year ending on March 31, 2021.

For **Gupta Baul & Associates**

Company Secretaries

Prasanjit Kumar Baul

Partner

M. No. ACS 34347, CP No. 12981

Place: Mumbai

Date: April 19, 2021

Independent Auditor's Certificate

on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of Bajaj Consumer Care Limited

1. This certificate is issued in accordance with the terms of our engagement.
2. This report contains details of compliance of conditions of corporate governance by Bajaj Consumer Care Limited ('the Company') for the year ended March 31, 2021 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2021.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sidharth N Jain & Company**
Chartered Accountants
Firm registration number: 018311C

Place: Surat
Date: April 19, 2021

Sidharth Jain
Proprietor
Membership No.: 134684
UDIN: 21134684AAAADT6067

Certification by Chief Executive Officer and Chief Financial Officer

IN TERMS OF REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

- i. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- iii. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- iv. We have indicated to the auditors and the Audit committee:
 1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Bajaj Consumer Care Limited**

Jaideep Nandi
Managing Director
DIN: 06938480

D. K. Maloo
Chief Financial Officer

Place: Mumbai
Date: April 19, 2021

Management Discussion & Analysis

Economic Review

Calendar Year (CY) 2020 marked an unprecedented collapse in the global economy as the outbreak of novel Coronavirus (COVID-19) pandemic towards the end of CY 2019 inflicted severe humanitarian costs on the world. To tackle the health emergency, all major economies announced nationwide lockdowns, border shut down and social distancing norms, bringing economic life to a standstill. This resulted in a global economic growth to contract by 3.3% as against 2.8% growth witnessed in CY 2019, marking one of the worst financial crises. Global prospects continue to remain uncertain one year into the pandemic. Substantial fiscal and monetary stimulus packages released by the governments and central banks across the globe are playing a pivotal role in this recovery. Successful vaccination program is expected to further boost investor sentiments leading to kick-start in private capital inflows and fixed capital formation. Backed by the improving macro-economic indicators, the IMF estimates the global economy to grow at 6.0% in CY 2021.

(<https://www.cnbc.com/2020/03/20/analyst-anticipates-worst-crisis-since-1929-amid-recession-fears.html>)

Indian Economy

In line with the global economy, India witnessed major economic disruptions in Financial Year (FY) 2020-21, as the outbreak of COVID-19 perversely impacted human health and safety of the country's inhabitants. This prompted the government to undertake one of the world's tightest lockdowns, bringing manufacturing and trade activities to a screeching halt. Prolonged lockdown exacerbated existing vulnerabilities of the country including the weakened financial sector, private investments, liquidity constraints and consumption demand. Mobility restrictions and social distancing led to unparalleled supply-chain disruptions and consumer demand fallout. This forced the Indian GDP to contract by 8.0% in FY 2020-21 as against a growth of 4.0% in FY 2019-20, marking a recession since 1980.

(Source: IMF World Economic Outlook, April 2021)

The government announced a special comprehensive package of ₹ 20 Trillion, equivalent to 10% of India's GDP

under 'Self-reliant India' movement to revive the country's economic activity. The economic package is for different strata of the economy including industries, MSMEs, common people with the aim to cover land, labor, and liquidity related issues. The organizations have been assisted with collateral free loans for businesses to revitalise the economy. With the government's focus on "Make in India" initiative, custom duty has been increased on import of electrical appliances, to de-incentivize their imports.

The Reserve Bank of India (RBI) continued with the accommodative monetary stance by bringing key repo rate and reverse repo rate to 4% and 3.35% respectively to provide monetary stimulus and trigger economic growth back to the earlier trajectory. The fiscal and monetary stimulus provided by the government and RBI would assist greatly in the recovery of the economy.

The government re-opened the economy in a phased manner since June 2020 with strict standard operating procedures. Despite the challenges posed by the pandemic in FY 2020-21, the outlook for FY 2021-22 seems promising. This is largely attributed to mass vaccination drives, normalising business activities, the government's thrust on reviving infrastructure sector, revival in housing demand backed by historically low-interest rates, improving banking balance sheet and India's increasing prominence in the global supply chain.

(Source: <https://www.businesstoday.in/current/economy-politics/india-steps-out-of-recession---gdp-grows-xx-in-dec-quarter/story/432461.html>)

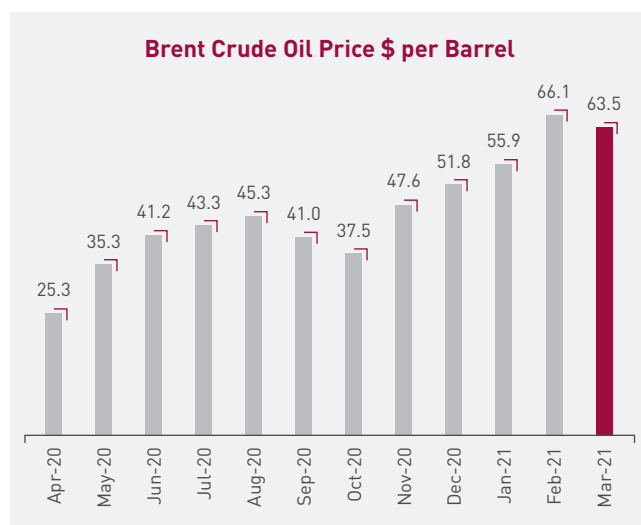
Inflation and CPI Inflation Trajectory

Inflation is directly linked to purchasing power. Consumer Price Index (CPI) and Wholesale Price Index affect the monetary policy, which in turn affects the interest rates on savings and borrowings/loans. It also directly affects saving capacity and plays a key role in planning the investments. The inflation increased to 5.0% in February after having eased to 4.1% in January 2021. Most of the food sub-groups are witnessing double digit inflation. Although the fuel inflation has somewhat eased, however, the core inflation is registering a generalized hardening to 6%.

The evolving CPI inflation trajectory is likely to be subjected to both upside and downside pressures. The bumper food grains production in FY 2020-21 should sustain softening of cereal prices going forward. While the prices of pulses, particularly tur and urad, remain elevated, the incoming harvest arrivals in the markets and the overall increase in domestic production in FY 2020-21 should augment supply which, along with imports, should enable some softening of these prices going forward. While edible oils inflation has been ruling at heightened levels with international prices remaining firm, reduction of import duties and appropriate incentives to enhance productivity domestically could work towards a better demand-supply balance over the medium-term. Taking into consideration multiple factors, headline inflation is expected to hover around 5% for FY 2021-22.

Crude Oil Price Movement

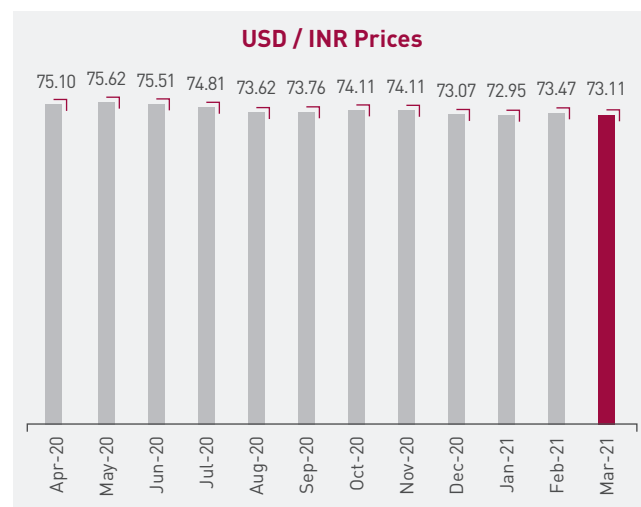
Crude-oil in FY 2020-21 have seen a sustained rise in prices. Crude-oil prices which had fallen to US\$15 levels at the start of pandemic in March'20 witnessed sustained rise to more than US\$65 levels by March'21. The production cuts implemented by OPEC plus countries caused the crude-oil prices to rise under the backdrop of reopening of the global economy after the lockdown imposed in most of the countries. Given the current global demand-supply balance, international crude-oil prices are likely to remain firm above US\$60 levels for rest of the year.



USD INR movement

Rupee has witnessed extreme volatility during the financial year. Rupee had depreciated above 75 levels at the outbreak of COVID-19 pandemic in March'20. However due to series of swift actions by Central bankers across the world including RBI to support the economy, the volatility in financial markets subsided. Due to solid capital flows in Indian economy, Rupee started witnessing gradual appreciation over the

year. Despite the regular intervention in forex markets by RBI to control the volatility, rupee managed to appreciate to 72.5 levels within a year. India's foreign exchange reserves increased by US\$ 99 billion during the year and currently stand at US\$ 577 billion at the end of March'21.



Industry Overview and Developments

Fast moving consumer goods (FMCG) is the fourth largest sector in the Indian economy. There are three main segments in the sector, i.e., food and beverages which accounts for 19% share; health care accounting for 31% share; and household and personal care accounting for 50% share.

(Source: IBEF).

The government has allowed 100% Foreign Direct Investment (FDI) in food processing and single-brand retail and 51% in multi-brand retail. This would boost employment, supply chain and high visibility for FMCG brands across organised retail markets which in turn would drive consumer spending and product launches. The sector witnessed healthy FDI inflows of US\$ 17.8 billion from April 2000 to September 2020.

Fast moving consumer goods have a high inventory turnover and are contrasted with specialty items which have lower sales and higher carrying charges. Many retailers only carry FMCGs particularly supermarkets, big-box stores, and warehouse club stores. Small convenience stores also stock fast moving goods; the limited shelf space is filled with higher turnover items.

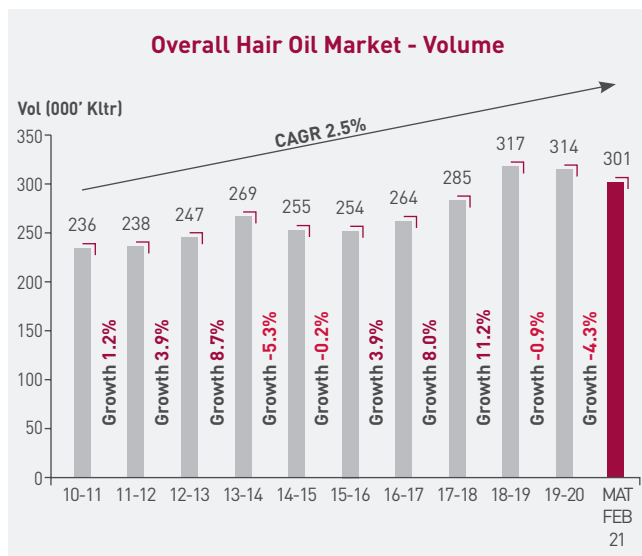
The COVID-19 pandemic has caused an unprecedented impact on the global economy. It has disabled global trade and cross border transactions like never before. The lockdown of countries and economies has resulted in the overnight evaporation of demand for all industries. Global supply chains have been hindered and it is expected that consumption will pick up gradually where it was disrupted.

The pandemic has contributed to two other interesting phenomena across the industry –one, shift in consumer channel preference towards omni channel approach and second, an acceleration in the adoption of digital technology, whereby even the general trade shopkeeper is using basic technologies such as WhatsApp to reach out to consumers.

Coronavirus pandemic and its subsequent lockdown has brought many significant innovations in the FMCG sector, putting the worst behind, and posing optimism for 2021. Adapting to the new normal and digitalization has made the sector learn, innovate, and rise from disruptions. The rising sale of essential food items, hand sanitisers and disinfectants supported to the sector's performance.

[Source: <https://www.allresearchjournal.com/archives/2020/vol6issue10/PartE/6-9-137-377.pdf>]

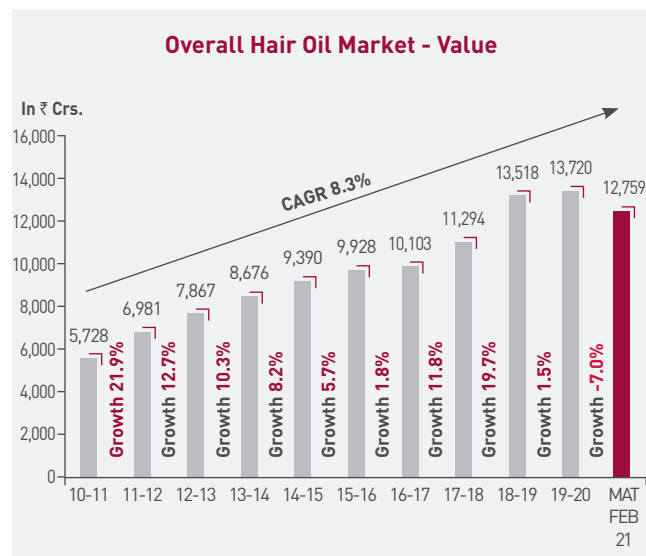
Overall Hair Oil Market



The Hair Oil Industry

Hair oils are considered an essential source of hair care and treatment and have been consistently consumed by a major population of the country. The growth of the hair oil market is driven by fluctuations in hairstyle trends, rapid increase in disposable income, rapid population growth and a rise in air pollution across the world. Hair oils stimulate hair growth by getting deep into the follicles.

The hair oil category has a negative growth in FY 2020-21 compared to the previous two years, with a value growth of -7.0% and a volume growth of -4.3%. This was led by decline in H1 due to lockdown, the industry rebounded in H2 and growth is back on the long-term historical trend [Source: Nielsen Offtake Nos. MAT Feb'21].



Industry Trends

Hair oil market continued to stabilize in Jan-Feb'21, with value growth at 1% and volume growth at 3%. Volume growth continues to outpace Value growth as cheaper brands, especially, the Amla category has rebounded the fastest. All subsegments in the category have started growing in Q4.

Value Growth % Vs YA						
Hair Oils	Mar 20	Q1	Q2	Q3	Jan+Feb	YTD (Year to date)
All India (U+R)	1.5	-25.3	-1	-1.4	0.9	-7.6
All India (U)	2.5	-30.6	-7.7	-5.8	-3	-12.7
All India (R)	0.4	-18.5	7.9	4.5	6.2	-0.9

Volume Growth % Vs YA						
Hair Oils	Mar 20	Q1	Q2	Q3	Jan+Feb	YTD (Year to date)
All India (U+R)	-0.9	-21.5	1.6	1.5	3	-4.7
All India (U)	0.1	-26.9	-5.7	-3.2	-1.2	-10.1
All India (R)	-2.1	-15.4	10.3	7.2	8	1.8

Source: Nielsen Retail Audit Report, Feb 2021, All India

U- Urban, R- Rural, YA- Year Ago

Rising Demand for Value-Added Hair Oil

Value-added hair oils are hair oils that are specially designed to provide extra care for hair. A significant share of Indian consumers is switching to value-added hair oils for hair-related problems such as hair fall, and damage caused by factors such as hair coloring. Moreover, rising affordability factors is increasing the market cap for value-added hair oils as they are premium products and highly priced. Value-added hair oil is gaining high popularity also because of the benefits they offer through the inclusion of natural ingredients in the formulation.

Routine Application of Hair Oil Among Indian Consumers

Traditionally, hair oil has a strong prevalence in the Indian market as applying oil on the hair has always been a routine measure followed by several Indians for ages. More than 35% Indians are believed to use hair oil daily which is a key contributor to the hair oil market in the country. Moreover, consumers are known to use the hair oil for several benefits such as healthy hair, conditioning and to combat dry scalp.

Growth Drivers and Opportunities

Inclination towards Organic Products

The inclination of consumers towards natural and organic hair care products is the key driver that is surging the growth of the hair oil market. Growing consumer preference toward origin-specific ingredients encourages women to spend more on organic hair care products, which will further boost the hair oil market.

Increasing concern on hair growth

The growing concern regarding maintaining hair growth and the rising hair problems such as dryness, breakage, and hair fall due to poor lifestyle habits will increase the demand for hair oil products in the market.

High Social Media Presence

The high social media presence of a large youth population, who constantly keep up with the changing hair care trends are influencing the growth of the market. Various trends glorified by many celebrity bloggers and stars also promote many hair care methods and therapies using hair oils. Celebrity endorsement of individual hair oil brands coupled with the growing adoption of professional hair products in

the fashion industry has also drastically driven the market growth. The online retail segment is growing at a fast pace and is turning out to be a major sales channel for hair oils.

Rise in disposable Income

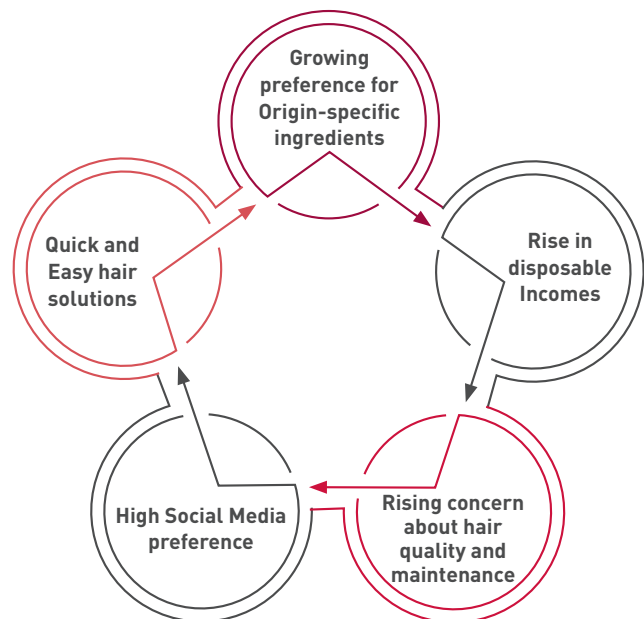
Rise in disposable income and growing middle class population drives the demand for value-added hair care products. The trend of color treated hair requires specialty hair oils that protect the color treatment as well as nourishes hair like traditional oils.

Wide Range of choices

The availability of a wide range of hair oil products and benefits about the products are attracting consumers towards the market. Major players are investing in various R & D activities for further improvement and enhancement of hair oil to meet the changing consumer demand. However, the easy availability of non-oil hair care products may restraint the growth of the hair oil market.

High demand for quick and easy hair solution

High demand for quick and easy hair-care solutions to address specific hair concerns is the key driver of the hair oil market across key geographies. Hair oils containing essential vitamins, antioxidants, and hydrating ingredients are widely preferred by millennial consumers to strengthen, repair, and moisturize scalp and hair.



Business Overview

Bajaj Consumer Care Limited (herein referred to as 'The Company') is one of India's well-established companies in the Beauty Care Industry. The Company leverages science and aesthetics to produce products that accentuate the beauty and create fascination. These brands are household names and are found everywhere, from small shops in villages to Modern Retail outlets and e-commerce websites. It has undergone a huge transformation over the years, while creating an impact by touching people's lives in significant ways. Today, it has been established as a dominant player in India's hair oil industry, with a pan-India presence, well-diversified product basket and multiple brands.

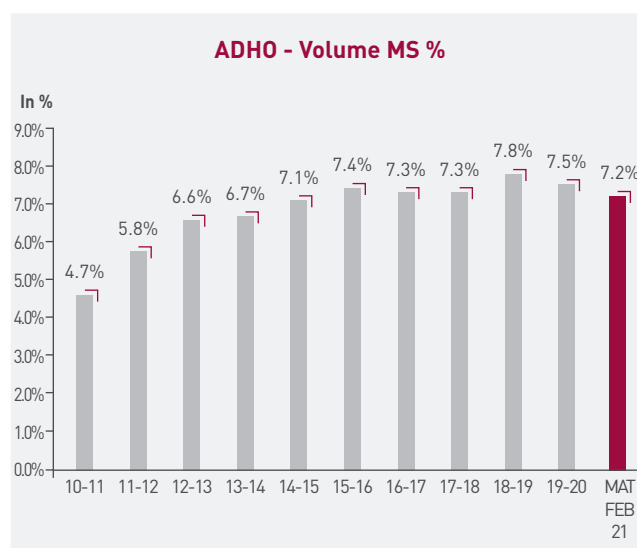
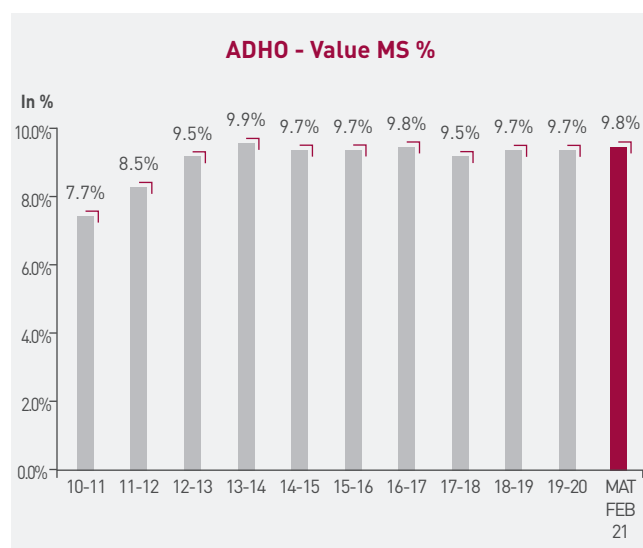
The Company's flagship brand, Bajaj Almond Drops Hair Oil, is a leading name in the Hair Oil market. The Company also

owns the Nomarks Brand in India. The brand continues to maintain strong dominance on the distribution front and is present across 42.6 lacs outlets as of March 2021.

The overseas business of the Company is increasing its global footprints with a focus on international business in terms of penetration, accessibility & availability of the brands to the consumers. The Company markets personal care brands in more than 30 countries, with primary focus in SAARC, Gulf & Middle East, ASEAN, and African regions.

In this negative growth phase, Bajaj Almond Drops has been able to maintain the market on value 9.8%. (MAT FEB'21)

In the LHO category, the brand has continued to increase its dominance, and the value market share has increased by 1.9% to 62.5%. (MAT FEB'21)



Key focus areas of the Company

Research and Development Initiatives

The Company constantly aims to meet the evolving needs of its customers and delight them through innovative and value-for-money products. Advanced research techniques have enabled the Company to innovate new product categories, providing simple, yet tangible benefits to its consumers. It achieves this through its two state-of-the-art and modern R&D facilities which is supported by advanced instrumentation and pool of experienced scientists.

Updating is the key.

The Company aims to constantly develop new products and update the existing ones to keep pace with market changes. The Company's strategic objective is to drive successful innovations in products and processes consistently and

to be updated for future preferences. It constantly adopts newer techniques and mechanisms to optimise its productivity and optimally utilise resources focused on delivering products that are value for money and keeping pace with the demand.

A few such R&D initiatives in FY 2020-21 are as follows:

- Upgrade of ADHO: New Formulation with 6x Vitamin E.
- Rural Distribution: Pan India initiative taken to increase Direct Distribution in Rural India through Vans.
- Heightened Digital Presence: Digital Marketing spends now ~10-15% of Media Spends with presence across Social Platforms and E-commerce.
- Relaunch of Amla Aloe Vera to gain share in the Amla Category.

Thrust on Sustainable Growth

The Company has come a long way through progressive development and support from its extensive distribution network across India through which its products are made available across more than 4 million outlets. This extensive supply chain network insulates the Company from geographical, trade channel and segmental concentration risks.

While the Company continues to add more sub-stockists to strengthen its retail presence, it has also undertaken a unique initiative of Van Coverage to enhance rural coverage. These vans carry lower unit packs (₹ 5 – ₹ 10) of products which find greater acceptance among rural consumers. Further, the Company has enhanced its presence in modern trade, including e-commerce platforms (contactless delivery) where premium products are also made available, thus augmenting sale. Well-targeted investments in advertising and promotional activities have facilitated it to rapidly expand the footprint across India and enjoy a strong franchise with the consumers.

With continuous presence over TV and OTT platforms, the Company has enhanced specificity in reach. It also undertook impactful marketing and brand promotion activities relating to Vocal for Local and has successfully strengthened its brand equity alongside attracting new consumers. Its strategic brand launches and brand extensions are aimed at retaining the existing consumers, besides constantly garnering a new set of loyal customers.

The Company is placed competitively in the industry and is determined to grow its market share and profitability sustainably through focus on developing top-notch products coupled with extensive advertising and promotional campaigns.

Operational Review

The Company has been continuously striving to strengthen supply chain processes, manufacturing operations, marketing & human resource management and back-end operations which is demonstrated in the Company's performance during the year 2020-21.

Supply Chain & Procurement

FY 2020-21 has been a year with significant challenges, owing to the lockdown due to the first wave of COVID-19. The Company ensured service to the customers by managing the logistics and depot operations, despite the challenges. It has also been agile in managing the overall uncertainties across the supply chain to ensure that the business and customers have been well served. As the year progressed, the Company saw the inflation in the commodities due to issues primarily on the supply side from Q3 onwards. The inflation was

significant in Light liquid paraffin (LLP) and Refined mustard oil (RMO). The Company also saw tightness in supplies of some of the packing materials in Q4. It initiated various cost saving initiatives during the year especially in the second half of the year. Some of them have been implemented and more would be complete in FY 2021-22 which would partially offset some of the inflationary pressures.

The Company has implemented SAP HANA during the first quarter and the system has been stabilised and running well. The Company plans to leverage data from SAP and the other underlying systems to create a sound analytics platform which would aid in better planning and execution systems and end to end visibility. It plans to create a strong demand planning architecture by using both primary and secondary sales information for the various channels - General trade, Modern trade, and e-commerce.

Manufacturing

Company has eight production facilities including third party operations to cover manufacturing footprints across India. Broadly, Hair oil & skin care products are manufactured at factories situated in Himachal Pradesh, Uttarakhand & Guwahati regions. Out of eight manufacturing facilities, one unit is located at Paonta sahib, 2 units in Baddi, one in Vadodara, three in Uttarakhand & one in Guwahati for manufacturing of all variants of hair oils, Skin Care and oral care products.

Plant operations

The Company has adopted the Smart manufacturing processes into work to improve lead time, quality, cost, customer service, and flexibility with a process-driven approach implementing the techniques like Make-to-order, Doing it right the first time, Zero Defects and Just-in-time production. Based on Japanese Improvement system Kaizens, the continuous improvement theme has been rolled out across factories in a big way to improve operational excellences at works.

As a concept implementation across factories, infrastructural upgradations have been planned in factories to improve overall product quality, new age technology, high-speed machines, contamination free stainless-steel tanks & piping, dust free environment, fire protection system and high level of Industrial automation.

The Company ensures that its suppliers are also positioned to enhance performance and customer satisfaction ensuring suppliers' values are aligned with those of the Company.

Special attention has been given to use natural and energy efficient lighting, natural cooling, and heating along with other energy saving initiatives across the plants.

Systems & Processes

To deliver best quality products to consumers, all manufacturing facilities have completed annual certifications of ISO standards along with implementation of world's renowned manufacturing excellence program implementations like TPM, 5S & Quality circles. Under this scheme, warehouses have also been covered this year as potential locations for ISO systems implementations for improving overall efficiency and productivity. Company has received the "Excellence Award" in NCQC Quality Circle convention chapter this year.

Environment & safety

Under the go-green initiatives company has continued policy of using only BEE-5 star rated equipment, Fans, blowers, etc. with continual reduction in resource wastages of air & water.

Although having best in class safety systems implementations, there is ongoing focus to improve fire safety protection in plant and warehouses with provisions of sensor-based fire control system, last point reach of hydrants, emergency controls, real-time drills, fire fighters training, etc.

New product development

To fulfill growing requirements of market and maintaining larger portfolio, the Company has launched new products - Amla Aloe vera hair Oil which includes goodness of natural extracts of Amla and Aloe vera making hair smooth and shiny. This product is available in 4 SKUs of 34 ml, 160 ml, 300 ml, and 500 ml to cater all the segments of the market.

Up-keep & upgrade

The Company has received the Golden Peacock National Quality Award from GPA Secretariate, IOD, Delhi. It has been recognized with this award for various efforts and initiatives done toward Quality Management Systems, Risk Management Strategies and Sustainability Practices into day-to-day operations leading to improved company performance and customer satisfaction.

The Company has also achieved NABL (National Accreditation Board of Laboratories) certificate for its Paonta Sahib unit in the field of analytical facilities which entrusts the confidence in Testing and calibration. With NABL certification, our products have greater access to Domestic/International Market.

Sales and Distribution

The year started off on a muted and uncertain note with April month being a washout. Lockdowns across the country have jeopardized the business growth. However, starting Q2 FY 2020-21, the business has made a strong comeback and witnessed consistent growth in all quarters.

Distribution continues to be the backbone of the organization. In particular, the focus on improving rural penetration has yielded positive results. Despite the overall hair oil market facing headwinds, the Company increased its market share mainly driven by rural share gain, which helped it to touch yet another high in terms of both Numeric distribution and weighted distribution numbers in the current fiscal. This has been mainly led by Rural thrust across Hindi Speaking belt. The Company stands as a market leader in terms of outlet reach with close to 42.5 lacs outlets served nationally.

Focus on Amla restaging is showing positive results and this will strengthen the breadth of the product portfolio. Amongst the high priority markets, MP, Rajasthan and UP have achieved close to 3% Market share in Amla category while Punjab achieved near 7% MS (In Q4) which represents a good jump in MS compared to the previous fiscal.

Rural van project has helped in improving the rural outlet reach which resulted in increased sales, MS gain and enhanced distribution in the rural segment. Currently, 700+ vans are deployed across the country. Digitization of Rural van business process is underway which helps in bringing transparency and visibility into van sales apart from ensuring compliance. The photo capture features, and GPS solutions are being piloted to ensure compliance in the system.

Data Analytics continue to be the main driver for sales and plan to focus on trade marketing and data Analytics in a big way in future. Nielsen market data analytics has been streamlined and is rolled out for all key stakeholders every month highlighting the growth areas, areas to focus, visibility into competition data and distribution metrics. Business Intelligence track is in progress (POC has been presented.)

Awards and Accolades

- "Great Place to Work" (GPTW) is a coveted certification which is a factor of employees' assessment of company's credibility, respect, fairness, pride & camaraderie assessed through an online "Trust Index" Survey and GPTW's evaluation of people practices maturity. The Company participated in GPTW's annual survey in Feb'21 and has been certified as a "Great Place to Work" consecutively for the third time for the period April'21 till March'22. The Trust Index score of the survey results for the year has significantly moved up and have crossed the '80's level, validating the efficacies of the developmental journey.
- The Company's Marketing team won the Silver Award in the category 'Best use of Celebrity Endorsement' at ACEF 9th Global Customer Engagement Awards for the campaign "Bajaj Almond Drops Pujor Kaushiki".

- The Company's Manufacturing team was awarded with the 'Golden Peacock National Quality Award' for the year 2020, by the Secretariat IOD (Institute of Directors) Jury under the Chairmanship of Hon'ble Justice M. N. Venkatachaliah, former Chief Justice of India.
- The Quality Circle team won two "Gold Awards" at the 10th Convention of Quality Chapters, organized by Quality Circle Forum India (QCFI) – Uttarakhand, Guwahati, and Durgapur chapters, respectively. We were also conferred with "Excellence awards" at the 34th National Convention on Quality Concepts, organized by QCFI. These awards are a testimony of the efforts to deliver superior quality products to the customers.

Financial review (Standalone) –

Results

₹ in lacs		
Particulars	2020-21	2019-20
Sales	89,796.96	81,775.15
EBITDA	24,884.41	21,623.91
Profit before exceptional items and tax	27,091.52	23,088.98
Profit for the year	22,356.95	19,055.33

Summarised Profit & Loss Account of the Company

₹ in lacs			
Particulars	2020-21	2019-20	YOY %
Sales	89,796.96	81,775.15	9.81%
Other Operating Income	1,665.76	2,644.89	-37.02%
Total	91,462.72	84,420.04	8.34%
Cost of Material Consumed	32,944.86	27,287.31	20.73%
Employee Cost	8,220.44	8,355.95	-1.62%
Advertisement & Sales Promotional Expenses	15,398.18	16,913.74	-8.96%
Other Expenses	10,014.83	10,239.13	-2.19%
EBITDA	24,884.41	21,623.91	15.08%
Finance Cost	131.96	423.08	-68.81%
Depreciation	580.21	533.30	8.80%
Corporate Social Responsibility	533.38	567.38	-5.99%
Other Income	3452.66	2,988.83	15.52%
Profit Before Tax	27,091.52	23,088.98	17.34%
Tax	4734.57	4,033.65	17.38%
Profit After Tax	22,356.95	19,055.33	17.33%
Other Comprehensive income / (Expenses) (Net of Taxes)	41.62	21.34	95.03%
Total Comprehensive income	22,398.57	19,076.67	17.41%

Key Profitability Ratios

In accordance with the SEBI (Listing and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (changes of 25% or more as compared to immediately preceding financial year) in key sector specific ratios. The Company has identified following ratios as key financial ratios in FY 2020-21:

Particulars	2020-21	2019-20
EBITDA/Sales	27.71%	26.44%
Profit before Tax & Exceptional Item/Sales	30.17%	28.23%
PAT /Sales	24.90%	23.30%
Total Comprehensive Income/Sales	24.94%	23.33%
Basic Earnings Per Share (₹)	15.15	12.92
Diluted Earnings Per Share (₹)	15.15	12.92

Particulars	2020-21	2019-20
Interest coverage ratio	224	58
Debt equity ratio	0.01	0.03
Operating profit margin	30.32%	28.75%

Detailed explanation of ratios -

Interest Coverage Ratio - The Interest Coverage Ratio measures how many times a Company can cover its current interest payment with its available earnings. It is calculated by dividing PBIT by finance cost.

Debt Equity Ratio - The ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing a Company's total Debt by its shareholder's equity.

Debt Equity Ratio as of March 31, 2021 has decreased due to reduction in Export Credit.

Operating Profit Margin (%) - Operating Profit Margin is a profitability or performance ratio used to calculate the percentage of profit a Company produces from its operations. It is calculated by dividing the EBIT by sales.

Key Balance Sheet Ratios

Particulars	2020-21	2019-20
ROCE	37.33%	40.46%
RONW	30.71%	32.83%
Book Value per Share (₹)	52.97	45.90
Net Working Capital* in no. of days sales	(6)	5
Debtors' turnover	11.11	15.58
Inventory turnover	21.22	27.06
Current ratio	5.35	4.01
Quick Ratio	5.03	3.61

* Excludes cash & bank balance.

Detailed explanation of key balance sheet ratios -

ROCE - Return on Capital Employed Return on Capital Employed (ROCE) is a financial ratio that measures a Company's profitability and the efficiency with which its capital is used. In other words, the ratio measures how well a Company is generating profits from its capital. It is calculated by dividing profit before interest, exceptional items and tax by average capital employed during the year.

RONW - Return on Net Worth (RONW) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing total comprehensive income for the year by average capital employed during the year.

Book Value per share - It is calculated by dividing equity at year end by number of shares outstanding at year end.

Net Working Capital* in no. of days sales - It is Calculated by dividing net working capital during the year by sales further converted into Days.

Debtors' turnover - The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or is paid. It is calculated by dividing sales by average trade receivables.

Inventory Turnover - Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing sales by average inventory.

Current Ratio - The Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

Quick ratio - The quick ratio is an indicator of a company's short-term liquidity position. It is calculated by dividing the current assets (excluding Inventory) by current liabilities.

Dividend

The Board of Directors have recommended a final dividend of ₹ 4/- per equity share amounting to ₹ 5,901.61 lacs for FY 2020-21 been recommended by the Board of Directors to shareholders for their approval. The total dividend for FY 2020-21 aggregates to ₹ 10/- per equity share which includes one interim dividend of ₹ 6/- per equity share paid on March 01, 2021. This would translate cash outflow of ₹ 14,754.01 lacs and a dividend pay-out of 65.87% of total comprehensive income.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

Initial Public Offer (IPO)

In the year 2010, the Company through an Initial Public Offering ("IPO") had raised ₹ 297 crores. The Net Issue proceeds ₹ 275.46 crore [Actual ₹ 278.04 crore] was proposed to be applied for the following objects set out in the Prospectus:

		₹ in crores
Sr. No.	Expenditure Items	Total Estimated Expenditure
1.	Promote our future products	220.00
2.	Acquisitions and other strategic initiatives	50.00
3.	General Corporate Purposes	5.46
Total		275.46

At the 7th Annual General Meeting held on August 2, 2013, the shareholders of the Company authorized the Board of Directors to vary and/or revise the aforesaid utilization of proceeds. Pursuant to the said authority granted by the shareholders, the Board of Directors have revised the aforesaid IPO proceeds as under:

₹ in crores

Sr. No.	Expenditure Items	Estimated Expenditure as per Prospectus	Revised Expenditure for net IPO proceeds	Amount utilized up- to March 31, 2021
1.	Promote our future products	220.00	28.60	28.60
2.	Acquisitions and other strategic initiatives	50.00	200.00	195.98
3.	General Corporate Purposes	5.46	49.44	27.67
	Total	275.46*	278.04*	252.25

*Budgeted IPO expenses ₹ 21 crore (approx.) Actual IPO expenses ₹ 18.96 crore (approx.)

Pending utilization, net proceeds of the IPO have been invested in interest bearing liquid instruments, bank deposits and other financial products as mentioned herein below:

Particulars	Amount (In Crore)
In Corporate Bonds	25.78
Total	25.78

Treasury Operations Highlight

During the Financial Year, Company's Treasury operations were managed on a nimble footing with continuing to focus on generating stable returns for the funds available with the defined framework of investments. The year 2020 has seen the economic downturn due to COVID-19 pandemic which led the RBI Governor to cut interest rates by 40 bps on 22nd May 2020. With this new rate cut the RBI Governor has given cumulative interest rate cuts of 250 bps. The RBI Governor has given aggregate easing of 115 bps post the outbreak of the pandemic with 75 bps rate cut in March 2020 and 40 bps rate cut in May 2020. The central bank has committed to continue with the accommodative stance till there is durable growth in the economy if the inflation remains under the target range.

The Indian rupee had seen gradual appreciation over the year on sustained capital flows. Despite RBI intervention in forex markets to control the volatility, Rupee continued to appreciate. However, during the second wave of COVID-19 pandemic, Rupee has depreciated to 75 levels within a very short period.

1. Under falling interest rates scenario, the Company had systematically increased the duration of the portfolio and deployed funds in safest credits of highest ratings. However, due to the large borrowing announced by the Government in the Budget of FY 2021-22 there is going to be a huge supply of government securities.

The increase in fiscal deficit will have its bearings on the interest rate curve and hence the Company will have to actively manage the portfolio in FY 2021-22. Even though RBI has committed to support the government borrowing program and complete the same during the year with the help of OMO and GSAP program, the Company expects the interest rate volatility to continue in the markets.

- During FY 2020-21, the Company has been cautiously investing in government securities and high-quality corporate bonds which has helped it to generate stable accrual income which was higher than money market and liquid mutual fund rates which the overnight rate had crashed to sub 3% during the year.
- It consciously avoided investing in any credit mutual funds to protect the funds of the Company.
- To maximize the realizations from forex remittances, the Company has hedged forex remittance to actively cover the export collections.
- The Company expects the interest rates to remain lower in FY 2021-22 with the accommodative stance from RBI to support the growth in economy.
- The Company expects the headline inflation to continue to print at 5% levels which will give comfort to RBI to continue with its accommodative stance. Additionally, with global economy reeling under the second wave of COVID-19 pandemic, it expects the crude-oil prices to continue to stay under US\$70 levels for the year which should also control the fuel price inflation.

The Company will continue to tactically shift the allocation between bonds of different tenors depending

upon interest rate scenario and liquidity condition in the market. However, it will assure that the credit quality of the portfolio of investments remains top notch and there is no credit risk in the portfolio. The Company Treasury remains committed to actively manage

portfolio to generate higher returns without sacrificing the credit quality of portfolio. Over the last decade of treasury operations, the Company has achieved credible reputation in debt markets for regular and stable investment operations.

Risk Management

Risk Management is an integral part of the Company's strategy and planning process. Based on proactive identification of risks, action plans are devised to mitigate the risks that could materially impact the Company's long-term sustainability. Mitigation plans with identified owners are set against target dates and progress of mitigation actions are monitored and reviewed.

Type of Risk	Description	Mitigation Strategy
Regulatory and Compliance Risk	The Company is exposed to regulatory risks on account of inadequate compliance of regulations, contractual obligations and intellectual property violations leading to litigation and loss of reputation.	The Company implements strict quality and EHS benchmarks which are reviewed and progressed on an ongoing basis to remain compliant with local and globally accepted norms. The manufacturing facilities have the necessary international certifications for quality, environmental standards and operational health and safety. It works closely with various Indian regulatory agencies and international customers to keep itself updated of the dynamic regulatory obligation.
Economic risk	The economic slowdown can affect the demand and the sales for the Company.	To combat the risk, the Company has a differentiated product portfolio that generates persistent sales from either of the categories to balance any uncertain circumstance. It has devised product specific strategies to ensure continuous growth. It also continues to evaluate the market scenario and engage with consumers to understand their needs and develop right products accordingly.
Supply Chain Risk Mitigation	The Company is exposed to the risk of inadequate supply of raw materials and price fluctuations along with disrupted infrastructure. Raw material price volatility directly impacts the prices of end-products as they form a major component of the entire process.	The Company ensures that most products are contracted with the pass-through clauses, thereby minimising the adverse impact from raw material variation. The Procurement team ensures that there are multiple Suppliers for most of its key raw materials. Its strong long-term relationship with its suppliers, which secures its raw materials at competitive prices.
Competition risk	Increase in competition from new players as well as present ones can result in market share loss and decline in revenues and profitability.	The Company aims at manufacturing quality products and offering them at a reasonable price across various modes as per accessibility of the consumers. It undertakes massive promotion and advertising to strengthen its brand value. The Company also undertakes extensive R&D activities to launch unique products which have greater reliability and market.
Human resources risk	Lack of competent employees and higher attrition rates may affect the processes of the Company.	The Company promotes new talent and delivers specialized training to the sales force. This helps in improving the performance standards and optimistically contributes towards its growth. HR policies are well defined for smooth operations to avoid any labour related issues. The Company offers performance-based appraisal to keep its Human Capital stimulated to work hard.

Human Resources

The Company has an experienced and talented pool of employees who play a key role in enhancing business efficiency, devising strategies, setting-up systems and responding to an evolving business environment. The Company has embarked on several human resource initiatives to enhance the productivity of the organization. The Company strives to impart regular training, knowledge, building skills and supporting in areas of functional and technical development with the help of skilled trainers. With a strong focus on digital learning, learning interventions right from induction to functional training and refresher courses, have been developed and deployed online. Management connect plays a vital role in building cross hierarchy connections. The Company endeavours to provide a safe, conducive, and productive work environment. To assure employees on their personal health and wellness, introduction of a Covid Special Insurance Scheme has been launched. Automated Onboarding Module ensured a smooth paperless remote joining of all new hires. Online Employee Life Cycle processes enabled with "Employee self Service" and "Manager Self Service" modules empowered employees and led to an enhanced experience of HR Processes. The entire payroll management process and compliance was outsourced leading to seamless, efficient, and consistent delivery of basic HR operations. Integration of LMS with Success Factors provided seamless navigation facility to users. Overall, the organization leveraged and adopted technology enabled HR services in a significant manner during the year.

As on 31st March 2021, the Company had 511 employees on its payroll. The Industrial Relations at the Company's manufacturing units, Corporate office and Zonal regions were cordial throughout the year without any loss of man-days.

Internal Control Systems and their adequacy

The Company's internal audit is conducted as per the Annual Audit Plan approved by the Audit Committee. The scope of the internal audit covers all aspects of business, including regular front-end and back-end operations and internal compliances. It lays emphasis to check on process controls, measures undertaken by the Company to monitor risk and to check for leakages or frauds. The Company has invested in ensuring that its internal audit and control systems are adequate and commensurate with the nature of business, regulatory prescriptions, and the size of its operations.

The internal control system is supplemented by concurrent and internal audits, as well as special audits and regular reviews by the management. For Company-wide internal audits, the Company has distributed the audit of major businesses to an independent top audit firm to have a wider and heterogeneous verification approach and inputs and derive larger value from the audit process. The Company's robust IT systems safeguard its sensitive data and ease out audit process. Applicable Accounting Standards are strictly followed while recording transactions. A host of strategies are devised in addition to robust MIS systems, for real-time reporting, to control expenses. Any variance from budgetary allocation is promptly reported and corrected to ensure strict compliance. The controls put forth an accurate summary of the organization's position at all times.

Outlook

Despite the short-term slowdown in the economy and the disruptions caused by the pandemic COVID-19, the long-term outlook for the Company remains optimistic. The outlook for hair oil industry seems promising owing to strong commodity prices, recovery in economic growth and improving consumer sentiments. The industry provides ample growth opportunities, driven by growing population and urbanization, and increasing demand for value-added products. The Company strives to leverage these opportunities and create innovative products that meet diverse consumer requirements. Automation in operations will be instrumental to strengthen its supply chain and improve processes, while ensuring minimal wastage and premium quality. Further, the Company's expenditure on marketing and advertising would help to reinforce its brand name.

Cautionary Statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations and futuristic in nature. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put into realise certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are requested to make their own independent judgments before taking any investment decisions.

Business Responsibility Report

Section A: General Information about the Company

Sr. No.	Particulars	Details
1.	Corporate Identification Number (CIN) of the Company	L01110RJ2006PLC047173
2.	Name of the Company	Bajaj Consumer Care Limited
3.	Registered office address	Old Station Road, Sevashram Chouraha, Udaipur - 313 001, Rajasthan
4.	Website	www.bajajconsumercare.com
5.	E-mail id	complianceofficer@bajajconsumer.com
6.	Financial Year reported	March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Bajaj Consumer Care Limited is a Fast Moving Consumer Goods (FMCG) Company and it is engaged in manufacturing of Hair oils and Personal Care products
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	i. Almond Drop Hair Oil ii. Amla Hair Oil iii. Nomarks Skin range
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	Company through its subsidiaries has operations in Bangladesh and Sharjah
	(b) Number of National Locations	Company has its Registered Office at Udaipur, Corporate Office at Mumbai and it has eight manufacturing units (including third party manufacturing units) located in Himachal Pradesh, Uttarakhand, Assam and Gujarat.
10.	Markets served by the Company: Local/ State/ National/ International	Company has presence in both local and international markets.

Section B: Financial Details of the Company

Sr. No.	Particulars	Details
1	Paid up Capital	1,475.40 Lacs Equity Shares of ₹ 1/- each.
2	Total Turnover	89,796.96 Lacs
3	Total profit after taxes	22,356.95 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.39%
5	List of activities in which expenditure in 4 above has been incurred:-	The Company has contributed an amount of 533.38 lacs to Kamalnayan Jamn Lal Bajaj Foundation (KJBF) (the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013).

Section C: Other Details

Sr. No.	Particulars	Details
1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Two of the foreign subsidiaries of the Company conduct their Business in line with the local requirements as to Business Responsibility applicable to them.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D: BR Information

Sr. No.	Particulars	Details	
1.	Details of Director/Directors responsible for BR		
(a)	Details of the Director/Directors responsible for implementation of the BR policy/policies	DIN	06938480
		Name	Mr. Jaideep Nandi
		Designation	Managing Director
(b)	Details of the BR head	DIN	06938480
		(if applicable)	
		Name	Mr. Jaideep Nandi
		Designation	Managing Director
		Telephone Number	022-66919477-78
		Email ID	jaideep@bajajconsumer.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify?	Yes, the Policy is based on and it is in confirmation with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' issued by Ministry of Corporate Affairs.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://www.bajajconsumercare.com/img/Business_Responsibility_Policy.pdf								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

2a If answer to No. 1, against any principle is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company does not understand the principles	N. A								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within next 1 year									
6	Any other reason (please specify)									

3. Governance Related to BR

- | | |
|--|--|
| (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company | The BR Head assesses the BR performance of the Company at least annually. |
| (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? | Yes, the Business Responsibility Report is a part of Annual Report, available on the website of the Company www.bajajconsumercare.com . |

Section E: Principle-Wise Performance

Principle 1 : Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

Company believes that Ethics, Transparency and Accountability are the three basic pillars of the business

of the Company and the said beliefs are reflected in 'Code of Ethics' ('Code of Conduct') and 'Whistle Blower Policy' adopted by the Company. For the foreign subsidiaries, the Code and Policy is applicable in line with the requirements of the respective country of operation. Even though these Codes and Policies are applicable to Directors and Employees of the Company, the underlying principles are communicated to vendors, suppliers, distributors and other key business

associates of the Company, which they are expected to adhere to while dealing with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the Financial year under Review, the Company has not received any stakeholders complaint.

Principle 2 : Product Life Cycle Sustainability

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Company is into the business of hair care and skin care products. Company's product portfolio addresses the social needs through its products.

In addition to this, Company is exploring new products with its R&D team.

Further, the Company has redesigned packaging material that resulted in low impact on the environment through change in Technology.

Few of the initiatives are:

- (i) **Optimization of structure of Cartons "more in less"**
- (ii) **Eliminating need of individual shrink in PET bottles**
- (iii) **Cartons that have lower thickness contribute to improved biodegradability and recyclability**
- (iv) **Recycling of incoming CFC for outward movement**

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Company has been constantly improving its operational efficiencies for reducing the consumption of resources without compromising on the quality and quantity of its range of Hair Oils and Skin Care Products.

- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Since the range of products manufactured by the Company being overall wellness products, its usage does not involve use of energy or water.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company has an effective forecast system enabling purchase of raw materials based on sales forecast and trends in domestic and international market to ensure optimal raw material procurement and has been aggressively pursuing wastage reductions across manufacturing units.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company has embedded sustainability throughout its procurement supply chain. Company has various initiatives to do disintermediation & help the small and marginal producers.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, Company's production process is based on principles of optimizing the material and energy resources. The Company has always strived to reduce waste associated with its products.

The Company has taken various initiatives like using lightweight materials, optimizing structural and material design and eliminating unnecessary packaging, resulting in effective management of packaging waste.

The Company encourages the use of recycled material where ever applicable and ensures that all packaging material waste from its manufacturing facilities is sent to approved recycling agents for further processing.

Company's products are consumer goods and hence they are consumed at consumer's end during usage. Therefore, recycling of product is very less and can be mentioned in category of less than 5%.

Principle 3 : Employee Wellbeing

Sr. No.	Particulars	Details
1	Please indicate the Total number of employees.	Total 1009 employees that includes permanent, contractual (direct & indirect) and security guards
2.	Please indicate the Number of permanent women employees.	21
3.	Please indicate the Number of permanent employees with disabilities.	Nil
4.	Do you have an employee association that is recognized by management.	No
5.	What percentage of your permanent employees is members of this recognized employee association?	N. A.
6.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.	Nil
7.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
	(a) Permanent Employees	100%
	(b) Permanent Women Employees	100%
	(c) Casual/Temporary/Contractual Employees	100%
	(d) Employees with Disabilities	Nil

Principle 4 : Stakeholders Engagement

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

No

Principle 5 : Human Rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Company has adopted 'Code of Ethics' ('Code of Conduct') and 'Whistle Blower Policy'. Even though these Codes and Policies are applicable to Directors and Employees of the Company, the underlying principles are communicated to vendors, suppliers, distributors and other key business associates of the Company, which they are expected to adhere to while dealing with

the Company. For the foreign subsidiaries, the Code and Policy is applicable in line with the requirements of the respective country of operation.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the past financial year, Company did not receive any stakeholder's complaint.

Principle 6 : Environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others?

The Company has Environment and Pollution Control Policy applicable to the Company and its suppliers and contractors. For its Foreign Subsidiaries, the Policy is applicable in line with the local requirements of the respective country of operation.

The company has received winner Award from Greentech Foundation in the field of environment excellence from Greentech foundations.

The company has also applied for CPCB registration and initiated the collection of multilayered plastic waste in some states as per local PCB advisories.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, Company is engaged in its technology upgradation and energy efficiency initiatives to contribute to mitigation of GHG emissions. The Company understands the importance of climate change risk mitigation by adapting to likely climate changes and its impact on business operations. The Company is also exploring more renewable energy resources for reducing GHG emissions.

The Company has been working on climate change issues by improving its process efficiency and taking initiatives in energy efficiency, developing green zones at units and water conservation etc.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, potential aspect related to environment are identified and evaluated for their impact on basis of severity scale and probability. All the significant aspects have operational control procedure in place.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

NO

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company understands the importance of climate change risk mitigation by adapting to likely climate changes and its impact on business operations. Through its technology up gradation and energy efficiency initiatives, company contribute to mitigation of GHG emissions.

The Company is committed to reduce environmental impacts on natural resources by implementing best technology, Management programs through a combination of reduction in use of energy, water conservation, minimize air emissions, rainwater harvesting and solid waste recycling.

Having DG with sound proof chamber to prevent noise pollution

Installed chimney in DG complying state pollution board standard to control air pollution.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes The ambient air quality is regularly monitored at plants and other areas. The air quality levels are well within the standards and limits prescribed by the Pollution Control Boards.

New Effluent treatment facility installed at Guwahati Unit have been working satisfactorily and meeting regulatory norms as prescribed by the Pollution Control Boards.

Solid waste from plants is also safely disposed-off or stored as per guidelines prescribed by the Pollution Control Boards.

Principle 7 : Policy Advocacy

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) FICCI
- (b) Indian Society of Advertisers
- (c) CII
- (d) ASCI (Advertising Standards Council of India)
- (e) Indian Beauty & Hygiene Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

- **Yes, The Company engages with government, regulatory and other relevant authorities for development of public policies in keeping with the Company's work in Society, sustainability and compliance commitments.**

Principle 8 : Inclusive Growth

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

- **The Company strongly believes in the principle of inclusive growth and equitable development of society at large. With this vision, the Company undertakes its CSR initiative through Kamalnayan Jamnalal Bajaj Foundation (Bajaj Foundation), the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013. Bajaj Foundation undertakes the projects**

which are in accordance with Schedule VII of the Companies Act, 2013 and Rules made thereunder, which are aimed at overall wellbeing of the society.

- The Company has identified the needs of its first line field force and instrumental (SO Connect) in giving support to them in terms of different needs namely – Housing Loan, Medical Facility, Children Education.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?
 - The Programs/Projects are implemented through Bajaj Foundation.
 - SO Connect Project execution done by in-house team
 3. Have you done any impact assessment of your initiative?
 - Yes, the CSR Committee of the Board of Directors internally undertakes an impact assessment of the initiatives so as to understand the effectiveness of the various programs undertaken by Bajaj Foundation and any measures that may be required to be taken for improving the future initiatives.
 - Under SO Connect Project, productivity has enhanced and employee turnover has been reduced.
 4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The details are available at Annexure-3 to Directors Report.
 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.
 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Details	No. of cases filed in the last five years	No of cases pending as on end of Financial Year 2020-21	Remarks
Alleged Unfair Trade Practice	2	1	A new complaint has been filed by a consumer in Jabalpur District Consumer Forum
Alleged irresponsible Advertising	6	0	4 cases were filed by a Competitor and its Distributors against the TV Commercial of the Company.
Alleged Anti Competitive behaviour	0	0	No case was filed against the Company

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes.

Bajaj Foundation with the vision of “Integrated development of the society through participatory approaches that sets benchmarks and standards for others to emulate for sustainable development” empower the rural community to take charge of their own development in a participatory manner by developing and managing natural resources. The developmental interventions focus on enhancing the income generated from agriculture, which is the principal source of livelihood. Bajaj Foundation also promotes alternate agro based Livelihood opportunities such as dairy farming, organic farming, horticulture and biogas which not only provides additional steady income but allows rural community to get enhanced quality of life. Bajaj Foundation has also been working in 700 villages of Wardha district with participatory participation. Bajaj Foundation has developed innovative project called, “Rejuvenation of Rivers- the Wardha Model” with active participation of the local community. Looking to the success and impact of the Rivers/Stream rejuvenation project implemented by the Bajaj Foundation, the Government of Maharashtra and TATA Trust have also joined hands with Bajaj Foundation for Rivers and Streams rejuvenation.

Principle 9 : Consumer Value

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year ?

As at the end of the Financial Year there is no consumer complaint pending and there is one consumer case pending.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

Company complies with the applicable statutory requirements as to product labels.

Independent Auditors' Report

To the Members of
Bajaj Consumer Care Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Bajaj Consumer Care Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2021, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under

section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion,

forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key

audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.
 - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 22 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

Sidharth Jain

Proprietor

Membership No.: 134684

UDIN: 21134684AAAADW7475

Place: Surat

Date: April 19, 2021

Annexure 'A'

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.
 - (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
 - (ii) The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.
 - (iii) The According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
 - (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company to the extent applicable to it.
 - (v) According to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.
 - (vi) To the best of our knowledge and as explained, Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for the products of the Company. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
 - (vii) (a) According to records of the Company, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service-tax, Goods and Service tax, Custom Duty, Excise Duty, Value Added tax, Cess and other statutory dues to the extent applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service tax, Goods and Service tax, Sales-tax, Customs Duty, Excise Duty, Value Added tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, Goods and Service tax, customs duty, excise duty and value added tax which have not been deposited with the appropriate authorities on account of any dispute except as shown below:

(₹ in lacs)

Name of the Act	Nature of dues	Amount demanded	Amount deposited under disputes	Period to which the amount relates (Financial year)	Forum where dispute is pending
The Uttarakhand Value Added Tax Act, 2005	VAT	12.20	3.05	2011-12	Jt. Commissioner
		38.45	11.53	2012-13	Appeal - Uttarakhand
		30.52	9.16	2013-14	
		33.90	10.17	2014-15	
Central Sales Tax Act, 1956	CST	7.39	1.85	2012-13	Commissioner Appeal
		1.15	-	2013-14	(Assam)

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to bank. The Company did not have any outstanding dues / loans in respect of financial institution, government or debentures during the year.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way of initial public offer were applied for the purposes for which those were raised though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid investments payable on demand.
- The maximum amount of idle/surplus funds invested during the year was ₹ 6,400.63 lacs, of which ₹ 2,578.49 lacs was outstanding at the end of the year. Same has been disclosed in the notes to the standalone financial statements. The Company did not have any term loans outstanding during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

Sidharth Jain

Proprietor

Membership No.: 134684

UDIN: 21134684AAAADW7475

Place: Surat

Date : April 19, 2021

Annexure 'B'

Annexure to the independent auditor's report of even date on the Standalone Financial Statements of Bajaj Consumer Care Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Bajaj Consumer Care Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as on March 31, 2021, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under

section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial

statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

Sidharth Jain

Proprietor

Membership No.: 134684

UDIN: 21134684AAAADW7475

Place: Surat

Date : April 19, 2021

Standalone Balance Sheet

as at March 31, 2021

		₹ in lacs	
Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment	3	4,078.78	4,448.55
(b) Capital Work-in-Progress	4	707.66	705.32
(c) Other Intangible Assets	5	195.65	24.25
(d) Intangible Assets under Development	5	-	216.20
Financial Assets			
(i) Investments	6	14,467.74	14,417.74
(ii) Loans	7	376.41	366.88
(iii) Others	8	-	28.31
(f) Other Non-Current Assets	9	7.47	30.51
		19,833.71	20,237.76
Current assets			
(a) Inventories	10	4,245.28	6,198.07
Financial Assets			
(i) Investments	6	58,455.03	44,628.73
(ii) Trade Receivables	11	2,607.49	2,860.05
(iii) Cash and Cash Equivalents	12	560.53	874.54
(iv) Bank Balances other than (iii) above	13	313.13	270.91
(v) Loans	7	21.80	35.47
(c) Current tax assets (net)	14	627.63	621.02
(d) Other Current Assets	9	4,897.56	7,796.61
		71,728.45	63,285.40
		91,562.16	83,523.16
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	1,475.40	1,475.34
(b) Other Equity	16	76,671.56	66,243.05
		78,146.96	67,718.39
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	500.00	2,000.00
(ii) Trade Payables			
(a) total outstanding dues of micro and small enterprises	18	334.52	345.63
(b) total outstanding dues of creditors other than micro and small enterprises	18	6,539.36	7,746.73
(iii) Other Financial Liabilities	19	4,411.47	3,831.11
(b) Other Current Liabilities	20	1,392.07	1,870.44
(c) Provisions	21	49.51	10.86
(d) Current Tax Liabilities (Net)	14	188.27	-
		13,415.20	15,804.77
		91,562.16	83,523.16
TOTAL EQUITY AND LIABILITIES			
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain
Proprietor
M. No. 134684

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi
Managing Director
DIN 06938480

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Dilip Cherian
Director
DIN 00322763

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Place : Surat
Date : April 19, 2021

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

₹ in lacs

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue from Operations	23	91,462.72	84,420.04
II. Other Income	24	3,452.66	2,988.83
III. Total Revenue (I + II)		94,915.38	87,408.87
IV. Expenses			
1. Cost of Materials Consumed	25	23,311.50	26,795.33
2. Purchase of Stock in Trade		8,461.05	1,815.85
3. Changes in Inventories of Finished Goods, Stock in Trade and Work-in-Progress	26	1,172.31	(1,323.87)
4. Employee Benefits Expense	27	8,220.44	8,355.95
5. Finance Costs	28	131.96	423.08
6. Depreciation and Amortisation	29	580.21	533.30
7. Other Expenses	30	25,946.39	27,720.25
Total Expenses		67,823.86	64,319.89
V. Profit before tax (III - IV)		27,091.52	23,088.98
VI. Tax expense:			
1. Current tax	14	4,734.57	4,035.25
2. Tax expenses of earlier year	14	-	(1.60)
3. Deferred tax	14	-	-
		4,734.57	4,033.65
VII. Profit for the period (V - VI)		22,356.95	19,055.33
VIII. Other Comprehensive Income			
Items that will not be reclassified to Statement of Profit and Loss			
-Remeasurement gains / (losses) on Defined Benefit Plans	33	50.43	25.86
-Income tax effect	33	(8.81)	(4.52)
Total Other Comprehensive Income (VIII)		41.62	21.34
IX. Total Comprehensive Income for the period (VII + VIII)		22,398.57	19,076.67
X. Earnings per Equity Share:			
1. Basic	34	15.15	12.92
2. Diluted		15.15	12.92
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain
Proprietor
M. No. 134684

Place : Surat
Date : April 19, 2021

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi
Managing Director
DIN 06938480

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Dilip Cherian
Director
DIN 00322763

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Standalone Statement Of Changes In Equity

for the year ended March 31, 2021

(A) EQUITY SHARE CAPITAL

Particulars	Nos. in lacs	₹ in lacs
Equity Shares of ₹ 1 each Issued, Subscribed and Fully Paid up		
As at April 1, 2019	1,475.00	1,475.00
Change in Equity Share Capital during the year	0.34	0.34
As at March 31, 2020	1,475.34	1,475.34
Change in Equity Share Capital during the year	0.06	0.06
As at Mar 31, 2021	1,475.40	1,475.40

(B) OTHER EQUITY

For the year ended Mar 31, 2021

Particulars	Reserves and Surplus				
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account	Total
As at April 1, 2020	29,609.33	6,561.44	29,789.22	283.06	66,243.05
Profit for the year	-	-	22,356.95	-	22,356.95
Recognition of share based payment expenses (refer note 41)	-	-	-	(166.85)	(166.85)
Issue of equity shares on exercise of employee stock options (note 41)	22.79	-	-	(22.79)	-
Other Comprehensive Income (note 33)	-	-	41.62	-	41.62
Total	29,632.12	6,561.44	52,187.79	93.42	88,474.77
Payment of Dividend	-	-	(11,803.21)	-	(11,803.21)
As at March 31, 2021	29,632.12	6,561.44	40,384.58	93.42	76,671.56

For the year ended Mar 31, 2020

Particulars	Reserves and Surplus				
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account	Total
As at April 1, 2019	29,475.00	6,561.44	10,712.55	288.18	47,037.17
Profit for the year	-	-	19,055.33	-	19,055.33
Recognition of share based payment expenses (refer note 41)	-	-	-	129.21	129.21
Issue of equity shares on exercise of employee stock options (note 41)	134.33	-	-	(134.33)	-
Other Comprehensive Income (note 33)	-	-	21.34	-	21.34
Total	29,609.33	6,561.44	29,789.22	283.06	66,243.05
Payment of Interim Dividend	-	-	-	-	-
As at March 31, 2020	29,609.33	6,561.44	29,789.22	283.06	66,243.05

Significant Accounting Policies

1 & 2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

For and on behalf of the Board

Sidharth Jain
Proprietor
M. No. 134684

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Place : Surat
Date : April 19, 2021

Place : Mumbai
Date : April 19, 2021

Standalone Statement of Cash Flow

for the year ended March 31, 2021

₹ in lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from Operating Activities		
Profit before Tax	27,091.52	23,088.98
Adjustments for:		
Depreciation and Amortisation	580.21	533.30
Share based payment expenses	(166.85)	129.21
Interest Income	(3,242.00)	(2,831.05)
Net (gain)/loss on Current Investments	(170.17)	(100.69)
Net (gain)/loss on sale of Property, Plant and Equipment	(1.51)	(15.03)
Rent Received	(38.98)	(42.06)
Interest Expenses	121.30	405.85
Operating Profit before Working Capital Change	24,173.52	21,168.51
Movement for Working Capital		
(Increase)/Decrease in Trade and Other Receivables	256.70	1,132.55
(Increase)/Decrease in Inventories	1,952.79	(269.69)
(Increase)/Decrease in Other Assets	2,916.94	(1,876.03)
Increase/(Decrease) in Trade and Other Payable	(989.70)	2,787.58
Cash Generated from Operations	28,310.25	22,942.92
Less: Direct taxes paid/deducted at source	(4,561.72)	(4,779.02)
Net Cash from/ (Used in) Operating Activities (A)	23,748.53	18,163.90
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(112.02)	(242.08)
Purchase of Intangible Assets	(111.22)	(229.29)
Interest Received	3,242.00	2,831.05
Net Proceeds from sale/ (purchase) of Current Investments	(13,656.13)	(19,440.37)
Proceeds from sale of Property, Plant and Equipment	25.01	126.02
Bank Deposit with Original Maturity of more than 3 months	(14.71)	(122.96)
Investment in Subsidiary Companies	(50.00)	(592.55)
Rent Received	38.98	42.06
Net Cash from/ (Used in) Investing Activities (B)	(10,638.09)	(17,628.12)
C. Cash Flow from Financing Activities		
Current Borrowing availed /(repaid) net	(1,500.00)	(500.00)
Interest Paid	(121.30)	(405.85)
Proceed from issue of Equity Share Capital (ESOP)	0.06	0.34
Dividend Paid	(11,803.21)	-
Net Cash from/ (Used in) Financing Activities (C)	(13,424.45)	(905.51)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(314.01)	(369.73)
Cash & Cash Equivalents - Opening Balance	874.54	1,244.27
Cash & Cash Equivalents - Closing Balance	560.53	874.54
Significant Accounting Policies	1 & 2	

Note: The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'. The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain
Proprietor
M. No. 134684

Place : Surat
Date : April 19, 2021

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi
Managing Director
DIN 06938480

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Dilip Cherian
Director
DIN 00322763

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Notes to Standalone Financial Statements

for the year ended March 31, 2021

1 Corporate Information:

Bajaj Consumer Care Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Company is located at Old Station Road, Sevashram Chauraha, Udaipur, (Rajasthan).

The Company is engaged in the business of cosmetics, toiletries and other personal care products. The Company has presence in both domestic and international markets. Information on related party relationships of the Company is provided in Note 42.

The name of the Company has been changed from "Bajaj Corp Limited" to "Bajaj Consumer Care Limited" w.e.f. January 01, 2019. There is no change in Corporate Identification Number (CIN: L01110RJ2006PLC047173).

2 Significant Accounting Policies:

2.1 Statement of Compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of Preparation of standalone financial statements

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies explained below.

Accounting policies have been consistently applied except where a newly issued accounting standard

is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in ₹ in lacs and all values are rounded to the nearest two decimals, except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Companies normal operating cycle and other criterion set out in schedule III of the Act. Based on the nature of the product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.4 Property, Plant and Equipment

All the property, plant and equipment are stated in the standalone financial statements at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on additions/deletions to Property, plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000 which are fully depreciated over a period of one year.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Profit or loss on sale / retirement of property, plant and equipment (PPE) is recognized in statement of profit and loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

2.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a systematic basis over a period of useful life.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

2.6 Research and Development

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit.

2.7 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

i) Sale of Goods :

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is

measured at the fair value of the consideration received or receivable, net of taxes on sales, customer returns, rebates and other similar allowance.

ii) Interest Income :

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

iii) Dividend Income:

Dividend income is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

iv) Contract balances:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

2.8 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

2.9 Leases

i) Company as a Lessee :

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value leases. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

ii) Company as a Lessor :

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

Transition to Ind AS 116

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019. The Company has evaluated and classified all lease contract existing as at April 1, 2019 as short term leases / low value leases.

2.10 Inventories

- i) Stock of raw material and packing materials is valued at cost or net realisable value, whichever is lower. Cost is arrived at on weighted average basis.
- ii) Stock of work in progress and finished goods is valued at cost or net realisable value, whichever is lower.

- iii) Stock of traded goods is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

2.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

(a) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(b) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following category:

- (i) Debt instruments at amortised cost
- (ii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

(i) Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost

Notes to Standalone Financial Statements

for the year ended March 31, 2021

using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, bank fixed deposits.

(ii) Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset.

(d) Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., net cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

ii) Financial Liabilities

(a) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings.

(b) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference

Notes to Standalone Financial Statements

for the year ended March 31, 2021

in the respective carrying amounts is recognised in the statement of profit and loss.

iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

2.13 Foreign Currency Transaction

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(iii) Exchange Differences

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous standalone financial statements, are recognized as income or as expenses in the year in which they arise.

2.14 Employee Benefits:

(i) Short Term Employee Benefits:

Short term employee benefits are recognised as expenditure at the undiscounted value in the Statement of Profit and Loss for the year in which the related service is rendered.

(ii) Post Employment Benefits:

(a) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(b) Defined Benefit Plans

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present value of the Gratuity obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss. 1) service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and 2) Net interest expense or income.

(c) Share based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured the fair value of the equity instruments at the grant date. Details regarding the determination of fair value of equity-settled share-based payment transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve ("Share option outstanding account").

2.15 Taxation

a) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis.

b) Deferred Tax

Deferred income taxes reflects the impact of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

2.16 Impairments of Non Financial Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. An impairment loss is recognised in profit or loss section of the statement of profit and loss for the year in which an asset is identified as impaired.

2.17 Earnings Per Share

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

2.18 Cash and Cash Equivalents

Cash and cash equivalents for the purposes Statement of Cash Flow comprise cash at bank and in hand and Bank deposits with original maturity of three months or less.

2.19 Provisions, Contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in the standalone financial statements unless possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are disclosed in the standalone financial statements when an inflow of economic benefits is probable.

2.20 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.21 Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable on Standalone Financial Statement from April 1, 2021.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

3 Property, Plant and Equipment

₹ in lacs

Particulars	Land	Lease hold Improve-ments	Buildings	Plant and Machinery	Office and Other Equipment	Furniture and Fittings	Vehicles	Total
Gross Block								
As at April 1, 2019	1,179.73	254.46	2,419.86	2,022.32	507.69	132.58	170.58	6,687.22
Additions	58.78	-	-	263.55	13.71	2.23	-	338.27
Disposals	-	-	-	239.31	9.42	0.03	-	248.76
As at March 31, 2020	1,238.51	254.46	2,419.86	2,046.56	511.98	134.78	170.58	6,776.73
Additions	-	-	-	33.51	39.23	5.18	-	77.92
Disposals	-	-	-	47.52	3.74	-	-	51.26
As at March 31, 2021	1,238.51	254.46	2,419.86	2,032.55	547.47	139.96	170.58	6,803.39
Depreciation and Impairment								
As at April 1, 2019	-	110.44	531.01	837.14	295.39	80.88	96.51	1,951.37
Depreciation for the year	-	37.37	122.48	224.73	93.04	14.06	22.90	514.58
Disposals	-	-	-	129.78	7.96	0.03	-	137.77
As at March 31, 2020	-	147.81	653.49	932.09	380.47	94.91	119.41	2,328.18
Depreciation for the year	-	27.22	113.25	201.10	55.32	12.69	14.61	424.19
Disposals	-	-	-	24.35	3.41	-	-	27.76
As at March 31, 2021	-	175.03	766.74	1,108.84	432.38	107.60	134.02	2,724.61
Net Book Value								
As at March 31, 2020	1,238.51	106.65	1,766.37	1,114.47	131.51	39.87	51.17	4,448.55
As at March 31, 2021	1,238.51	79.43	1,653.12	923.71	115.09	32.36	36.56	4,078.78

Notes to Standalone Financial Statements

for the year ended March 31, 2021

4 Capital Work-in- Progress

₹ in lacs

Particulars	Work in Progress
Gross Block	
As at April 1, 2019	773.93
Additions	8.39
Capitalized during the year	77.00
As at March 31, 2020	705.32
Additions	2.34
Capitalized during the year	-
As at March 31, 2021	707.66

5 Intangible Assets

₹ in lacs

Particulars	Trademark & Intellect. Properties	Computer Software	Intangible assets under development (Refer note below)	Total
Gross Block				
As at April 1, 2019	6,536.35	124.11	-	6,660.46
Additions	-	13.09	216.20	229.29
Disposals	-	-	-	-
As at March 31, 2020	6,536.35	137.20	216.20	6,889.75
Additions	-	327.42	-	327.42
Disposals	-	-	216.20	216.20
As at March 31, 2021	6,536.35	464.62	-	7,000.97
Amortisation and Impairment				
As at April 1, 2019	6,536.35	94.23	-	6,630.58
Amortisation for the year	-	18.72	-	18.72
Disposals	-	-	-	-
As at March 31, 2020	6,536.35	112.95	-	6,649.30
Amortisation for the year	-	156.02	-	156.02
Disposals	-	-	-	-
As at March 31, 2021	6,536.35	268.97	-	6,805.32
Net Book Value				
As at March 31, 2020	-	24.25	216.20	240.45
As at March 31, 2021	-	195.65	-	195.65

Note:

Intangible assets under development is towards SAP implementation.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

6 Investments

6.1 Non-Current Investments

₹ in lacs

Particulars	As at March 31, 2021	As at March 31, 2020
1) Investment in Equity Shares in Subsidiaries (unquoted) valued at cost		
a) 2,228,128 (March 31, 2020: 2,215,666) Equity Shares of ₹ 10/- each fully paid-up in Uptown Properties and Leasing Private Limited	13,030.39	12,980.39
b) 4,869,513 (March 31, 2020: 4,869,513) Equity Shares of BDT 10/- each fully paid-up in Bajaj Bangladesh Limited	398.40	398.40
c) 37 (March 31, 2020: 37) Equity Shares of AED 1,50,000/- each fully paid-up in Bajaj Corp International (FZE)	1,038.01	1,038.01
2) Share Application Money Pending Allotment		
a) Bajaj Bangladesh Limited	0.94	0.94
Total	14,467.74	14,417.74

6.2 Current Investments

₹ in lacs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments at Fair Value through Profit or Loss		
a) Investment in Government Securities	25,847.20	8,347.84
b) Investment in Bonds	32,607.83	36,280.83
c) Investment in Debt Mutual Funds	-	0.06
Total	58,455.03	44,628.73

(i) Script wise breakup of above investments is as follows:

a) Investment in Government Securities - Quoted

Government Securities	As at March 31, 2021		As at March 31, 2020	
	Units	₹ in lacs	Units	₹ in lacs
Karnataka	-	-	204	2,095.28
West Bengal	105	1,048.14	600	6,252.56
Rajasthan SDL	350	3,492.63	-	-
Gujrat SDL	115	1,137.05	-	-
Kerla SDL	1,300	13,098.72	-	-
Uttar Pradesh SDL	500	5,075.42	-	-
Assam SDL	200	1,995.24	-	-
Grand Total	2,570	25,847.20	804	8,347.84

Notes to Standalone Financial Statements

for the year ended March 31, 2021

b) Investment in Bonds - Quoted

Bonds	As at March 31, 2021		As at March 31, 2020	
	Units	₹ in lacs	Units	₹ in lacs
REC Bond	500	5,085.73	2,250	23,736.96
IRFC Bond	-	-	700	7,102.75
NHAI Bond	-	-	600	5,441.12
HDFC Bond	100	1,029.05	-	-
Nabard Bond	600	6,076.04	-	-
FCI Bond	200	2,085.80	-	-
BSNL Bond	250	2,500.26	-	-
NPCL Bond	50	499.40	-	-
MTNL Bond	350	3,539.16	-	-
PNB Tier 2 Bond	250	2,579.04	-	-
PFC Bond	500	5,164.86	-	-
PNB Bond	100	1,026.67	-	-
Union Bank Bond	29	3,021.82	-	-
Total	2,929	32,607.83	3,550	36,280.83

c) Investments in Debt Mutual Fund - Unquoted

Debt Mutual Fund	As at March 31, 2021		As at March 31, 2020	
	Units	₹ in lacs	Units	₹ in lacs
ICICI Prudential Liquid Fund Direct Growth	-	-	20.728	0.06
Total	-	-	20.728	0.06

(ii) Aggregate Value of Investments

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Carrying amount of Quoted Investments	58,455.03	44,628.67
b) Market value of Quoted Investments	58,455.03	44,628.67
c) Carrying amount of Unquoted Investments	-	0.06
Total (a+c)	58,455.03	44,628.73

7 Loans

7.1 Non Current Loans

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Considered good	376.41	366.88
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	376.41	366.88
Less:- Allowance for credit impaired	-	-
Total	376.41	366.88

Notes to Standalone Financial Statements

for the year ended March 31, 2021

7.2 Current Loans

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Other (Unsecured)		
Considered good	21.80	35.47
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	21.80	35.47
Less:- Allowance for credit impaired	-	-
Total	21.80	35.47

These financial assets are carried at amortised cost.

8 Other Financial Assets

8.1 Non Current

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Non Current Bank Balance (Fixed deposits maturing after 12 months from reporting date)	-	28.31
Total	-	28.31

9 Other Non Financial Assets

9.1 Non-Current

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Capital Advance	-	5.15
Deferred rent	7.47	25.36
Total	7.47	30.51

9.2 Current

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Advance other than Capital Advances		
(i) Advances to Suppliers	366.15	170.68
(ii) Advances to Staff	119.01	117.61
b) Prepaid Expenses	74.25	58.03
c) Balance with Govt. Authorities	4,320.27	7,432.41
d) Deferred rent	17.88	17.88
Total	4,897.56	7,796.61

(i) All the above advances are unsecured and considered good.

(ii) All the above advances are provided to non-related parties.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

10 Inventories

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Raw Materials	1,072.87	1,475.25
b) Packing Materials	594.80	1,004.44
c) Finished Goods	1,856.45	3,059.20
d) Stock in Trade	584.25	379.65
e) Work-in-Progress	105.37	279.53
f) Stores & Spares	31.54	-
Total	4,245.28	6,198.07

11 Trade Receivables

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Secured, considered good	-	-
b) Unsecured, considered good	2,607.49	2,860.05
c) Balance having significant increase in credit risk	-	-
d) Credit impaired	-	-
	2,607.49	2,860.05
Less: Allowances for credit impaired	-	-
Total	2,607.49	2,860.05

(i) Unsecured receivables includes due from related parties ₹ 362.66 lacs (Previous Year: ₹ 447.19 lacs). Refer Note 42

(ii) Refer note no 40.3 for credit risk analysis of Trade receivables.

12 Cash and Cash Equivalents

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Balances with Banks:		
On Current Account	516.17	408.74
Deposit with maturity of less than 3 months	40.68	450.31
b) Cash in Hand	3.68	15.49
Total	560.53	874.54

13 Other Bank Balances

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Earmarked balances with banks	8.33	9.13
Fixed deposits maturing within 12 months from the reporting date	304.80	261.78
Total	313.13	270.91

Notes to Standalone Financial Statements

for the year ended March 31, 2021

14 Income tax

14.1 Current Tax Assets and Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Current tax assets		
Advance Income Tax (Net)	627.63	621.02
Current tax liabilities		
Income tax payables (Net)	188.27	-

14.2 Total Income Tax Expenses

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
a) Income Tax Recognised in Statement of Profit and Loss		
Current tax		
In respect of the current year	4,734.57	4,035.25
In respect of the earlier year	-	(1.60)
Deferred tax		
In respect of current year	-	-
Total	4,734.57	4,033.65
b) Income Tax recognised in Other Comprehensive Income		
Income Tax on Re-measurement of Defined Benefit Obligation	8.81	4.52
Total Income tax	4,743.38	4,038.17

One of the major manufacturing location of the Company is currently in tax holiday period. The Company expects to remain in lower tax bracket than the normal tax. The Company pays and recognise minimum stipulated tax on book profit as per the Income tax laws. Therefore, no deferred tax liabilities / assets are recognised in respect of those temporary differences which will be reversed in tax holiday period. Further, there are no reconciliation items between tax expense and the product of accounting profit multiplied by the applicable tax rate.

15 Share Capital

(i) Description of Equity Share Capital

Particulars	Face Value per Share	As at March 31, 2021		As at March 31, 2020	
		Nos (In lacs)	Amount (₹ in lacs)	Nos (In lacs)	Amount (₹ in lacs)
a) Authorised	1.00	2,000.00	2,000.00	2,000.00	2,000.00
b) Issued	1.00	1,475.40	1,475.40	1,475.34	1,475.34
c) Subscribed & fully paidup	1.00	1,475.40	1,475.40	1,475.34	1,475.34

(ii) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Nos. in lacs	₹ in lacs
Equity Shares of ₹ 1 each Issued, Subscribed and Fully Paid up		
As at April 1, 2019	1,475.00	1,475.00
Shares allotted during the year	0.34	0.34
As at March 31, 2020	1,475.34	1,475.34
Shares allotted during the year	0.06	0.06
As at March 31, 2021	1,475.40	1,475.40

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(iii) Terms/ Rights attached to Equity Shares:

The Company has one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Out of the total equity shares of 1,475.40 lacs (Previous year 1,475.34 lacs), 561.25 lacs shares (i.e. 38.04%) are held by Bajaj Resources Limited (Holding Company till Oct 18, 2019), along with its subsidiaries (KNB Enterprises LLP and SKB Roop Commercials LLP).

(v) Details of shareholders holding more than 5% shares of the Company as year end are given below:

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	Nos in lacs	% of holding	Nos in lacs	% of holding
1. Bajaj Resources Limited	561.10	38.03%	561.10	38.03%
2. ICICI Prudential Mutual Fund	100.95	6.84%	128.36	8.70%
3. HDFC Trustee Company Limited	67.00	4.54%	75.66	5.13%
4. Baytree Investments (Mauritius) Pte Ltd	-	0.00%	98.64	6.69%
5. KNB Enterprises LLP	0.10	0.01%	0.10	0.01%
6. SKB Roop Commercial LLP	0.05	0.00%	0.05	0.00%
	729.20	49.42%	863.91	58.56%

16 Other Equity

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Securities Premium	29,632.12	29,609.33
b) General Reserve	6,561.44	6,561.44
c) Retained Earnings	40,384.58	29,789.22
d) Share option outstanding account (refer note below)	93.42	283.06
Total	76,671.56	66,243.05

Refer Statement of Change in Equity for movement in Components of Other Equity.

The Company has an equity settled share based payment plan for certain category of employees of the company. Refer note 41 for further details of this plan.

17 Current Borrowings

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Unsecured		
From Bank - Export Credit in INR	500.00	2,000.00
Total	500.00	2,000.00

The borrowing is under 'Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit' notified by the RBI (earlier known as Interest Subvention Scheme) and carries interest at the rate of 3.95% to 4.15% (PY 5.15% to 6.27%) per annum.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

18 Trade Payables

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Due to Micro And Small enterprises	334.52	345.63
Due to others	6,539.36	7,746.73
Total	6,873.88	8,092.36

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	334.52	345.63
ii) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	1.46	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.17	0.19
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of information available with the Company.

19 Other Financial Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Security Deposits from C&F and Others	59.50	59.50
b) Unclaimed Dividends	8.33	9.13
c) Other Outstanding Liabilities	4,337.79	3,719.72
d) Payable for Capital Goods	5.85	42.76
Total	4,411.47	3,831.11

20 Other Current Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Advances from Customers	469.97	858.78
b) Statutory Liabilities	922.10	1,011.66
Total	1,392.07	1,870.44

Notes to Standalone Financial Statements

for the year ended March 31, 2021

21 Provisions

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Provisions for employee benefit (refer note no 38)	49.51	10.86
	49.51	10.86

22 Contingent Liabilities and Commitments

Contingent Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debt		
Indirect tax	149.03	-

- (i) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements.
- (ii) The Company periodically receives notices and inquiries from income tax authorities. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

Commitments

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
i) Lease Commitments		
Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets and leases with term less than twelve months		
Within one year	40.69	56.72
After one year but not more than five years	1.63	42.32
More than five years	-	-
ii) Capital Commitments		
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	-	94.80
Total	42.32	193.84

23 Revenue from Operations

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
a) Sale of Products	89,796.96	81,775.15
b) Other Operating Revenues		
(i) Government Grant	1,477.09	2,391.19
(ii) Others	188.67	253.70
Total	91,462.72	84,420.04

Notes to Standalone Financial Statements

for the year ended March 31, 2021

24 Other Income

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Interest Income	3,242.00	2,831.05
b) Net gain/(loss) on sale of Current Investments	405.57	155.50
c) Net gain on sale of Property, Plant and Equipment	1.51	15.03
d) Fair value gain/(loss) on Financial Assets at FVTPL	(235.40)	(54.81)
e) Rent Received	38.98	42.06
Total	3,452.66	2,988.83

25 Cost of Material Consumed

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
Inventory as at the beginning of the year	2,479.69	3,533.87
Add: Purchases	22,499.48	25,741.15
Less: Inventory at the end of the year	1,667.67	2,479.69
Cost of Material Consumed	23,311.50	26,795.33

26 Change in Inventories

₹ in lacs			
Particulars	FY 2020-21	FY 2019-20	Changes
Inventories at the end of the year			
Finished Goods	1,856.45	3,059.20	1,202.75
Traded Goods	584.25	379.65	(204.60)
Work-in-Progress	105.37	279.53	174.16
	2,546.07	3,718.38	1,172.31
Inventories at the beginning of the year			
Finished Goods	3,059.20	2,055.80	(1,003.40)
Traded Goods	379.65	85.94	(293.71)
Work-in-Progress	279.53	252.77	(26.76)
	3,718.38	2,394.51	(1,323.87)
Change in Inventories	1,172.31	(1,323.87)	

27 Employee Benefits Expense

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Salaries and Wages	7,604.04	7,431.25
b) Contribution to Provident and Other Funds (refer note no 38)	591.24	629.16
c) Gratuity expenses (refer note no 38)	139.38	122.95
d) Staff Training and Welfare expenses	52.63	43.38
e) Share based payment expenses (refer note no 41)	(166.85)	129.21
Total	8,220.44	8,355.95

Notes to Standalone Financial Statements

for the year ended March 31, 2021

28 Finance Costs

₹ in lacs

Particulars	FY 2020-21	FY 2019-20
a) Interest Expense	121.30	405.85
b) Bank Charges	10.66	17.23
Total	131.96	423.08

29 Depreciation and Amortisation Expenses

₹ in lacs

Particulars	FY 2020-21	FY 2019-20
a) Depreciation on Property, Plant and Equipment	424.19	514.58
b) Amortisation of Intangible Assets	156.02	18.72
Total	580.21	533.30

30 Other Expenses

₹ in lacs

Particulars	FY 2020-21	FY 2019-20
a) Advertisement and Sales Promotion Expenses	15,398.19	16,913.74
b) Freight, Forwarding and Distribution Expenses	3,728.70	3,477.11
c) Travelling and Conveyance	900.65	1,795.24
d) Royalty	887.85	796.00
e) Rent (refer note no 37)	738.03	713.82
f) Manufacturing Expenses	1,426.45	1,436.22
g) Power and fuel (Mfg)	87.19	103.85
h) Legal & Professional Expenses	328.40	231.80
i) Postage, Telephone & Other Communication	422.41	422.96
j) Power and fuel	30.07	44.73
k) Insurance	211.08	222.89
l) Audit Fees & Expenses (refer note no 31)	12.75	12.75
m) Repairs - Building	14.46	14.84
n) Repairs - Machinery	35.77	38.71
o) Repairs - Others	55.17	33.59
p) Rates and taxes	39.25	29.78
q) Information Technology Expenses	472.27	304.84
r) Corporate Social Responsibility (refer note no 36)	533.38	567.38
s) Loss on Foreign Exchange Rate Fluctuation	17.00	-
t) Miscellaneous expenses	607.32	560.00
TOTAL	25,946.39	27,720.25

Notes to Standalone Financial Statements

for the year ended March 31, 2021

31 Payment to Auditors

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
(a) For Statutory Audit	10.00	10.00
(b) For Tax Audit	2.00	2.00
(c) For Other Services	0.75	0.75
Total	12.75	12.75

32 Details of Expenditure directly related to Research & Development (R&D)

During the year, the Company has incurred revenue and capital nature expenditure on Research & Development activity. Expenditure of revenue nature is ₹ 337.58 lacs (₹ 363.49 lacs) and amount capitalised is ₹ 5.30 lacs (₹ NIL lacs). The same is disclosed under various heads of the financial statements.

33 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Re-measurement gains / (losses) on Defined Benefit Plans (Retained Earnings) (refer note no. 38)	(50.43)	(25.86)
b) Tax impact on above	8.81	4.52
Total	(41.62)	(21.34)

34 Earnings per Share

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Profit for the year (₹ in lacs)	22,356.95	19,055.33
b) Weighted average number of Equity Shares (Nos in lacs) *		
For calculating basic earning per share	1,475.40	1,475.34
For calculating diluted earning per share	1,476.17	1,475.34
c) Earnings per Share (₹)		
Basic	15.15	12.92
Diluted	15.15	12.92

Options granted to Employees under Restricted Stock Unit Plan 2018 ("RSU 2018") are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 41.

35 The Company operates only in one segment, namely "Cosmetics, Toiletries and Other Personal Care products" and there are no reportable segments in accordance with IND-AS 108 on "Operating Segments".

Notes to Standalone Financial Statements

for the year ended March 31, 2021

36 Details of CSR Expenditure

		₹ in lacs	
Particulars		FY 2020-21	FY 2019-20
a) Gross amount required to be spent by the Company during the year		533.37	567.38
b) Amount spent during the year			
(i) Construction/acquisition of any asset		-	-
(ii) On purposes other than (i) above		533.38	567.38

37 Leases

The Company's significant leasing arrangements are in respect of premises used for business, are accounted as a short term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 30). These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months.

38 Benefits to Employees

The following table sets out the disclosure under Ind AS-19 on 'Employee Benefits:

38.1 Defined contribution plan

Amount of ₹ 379.41 lacs (FY 2019-20 : ₹ 385.96 lacs) is recognized as an expense and included in "Employee Benefits expense" (refer note 27) in the Statement of Profit and Loss.

38.2 Defined benefit plan

The Company has defined benefit gratuity plan (funded with LIC) which is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to gratuity benefit. Liability for employee benefits has been determined by an independent actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS-19, the details of which are as hereunder:

These plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

		₹ in lacs	
Funded Scheme - Gratuity		FY 2020-21	FY 2019-20
(a) Liability to be recognised in Balance Sheet as at year end			
Present value of Defined Benefit Obligations		574.50	622.51
Fair value of Plan Assets		524.99	611.65
Net Liability / (Asset) (Refer Note 21)		49.51	10.86
(b) Change in fair value of Plan Assets			
Fair value of Plan Assets as at beginning		611.65	462.28
Expected return on Plan Assets		36.18	29.59
Net actuarial gain / (losses)		(7.79)	8.48
Contributions		50.31	144.46
Benefits paid		(165.36)	(33.16)
Fair value of Plan Assets as at year end		524.99	611.65
(c) Change in present value of Define benefit obligation			
Present value of Defined Benefit Obligation as at beginning		622.51	520.51
Current Service Cost		139.32	119.31
Interest Cost		36.25	33.23
Net Actuarial losses / (gain)		(58.22)	(17.38)
Benefits paid		(165.36)	(33.16)
Present value of Defined Benefit Obligation as at year end		574.50	622.51
(d) Expenses recognised during the year			
Gratuity cost charged to profit or loss			
Current Service Cost		139.32	119.31
Interest Cost		0.06	3.64
Total included in Statement of Profit and Loss (note no 27)		139.38	122.95
Remeasurement gain / loss charged to OCI			
Expected return on Plan Assets		7.79	(8.48)
Actuarial changes arising from changes in Demographic Assumptions		-	(1.92)
Actuarial changes arising from changes in Financial Assumptions		2.80	30.13
Experience Adjustments		(61.02)	(45.59)
Total included in OCI (refer note no 33)		(50.43)	(25.86)
(e) Assumptions used			
Discount rate (per annum)		6.85%	6.90%
Expected rate of return on assets (per annum)		6.85%	6.90%
Salary escalation rate (per annum)		7.00%	7.00%
Withdrawal rate		1% - 5%	1% - 5%
Mortality table		Indian Assured Lives Mortality 2012-14 Ult.	Indian Assured Lives Mortality 2012-14 Ult.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

		₹ in lacs	
Funded Scheme - Gratuity		FY 2020-21	FY 2019-20
(f) Sensitivity Analysis of Actuarial Assumptions			
Impact on Defined Benefit Obligation			
Discount Rate	0.5% increase	-4.71%	-3.77%
	0.5% decrease	5.09%	4.07%
Future Salary Increase	0.5% increase	5.06%	4.05%
	0.5% decrease	-4.72%	-3.78%
(g) Categories of Plan Assets			
Insurer managed fund (unquoted)		524.99	611.66
(h) Expected benefit payout in future years			
Within the next 12 months		82.53	194.55
Between 2 and 5 years		130.08	106.59
Beyond 5 years		1,087.29	959.83
(i) The Weighted average duration of the defined benefit plan obligation at the end of the reporting period is 9.79 Years (P.Y. 7.96 years).			
(j) Expected contribution in respect of Gratuity for next year will be ₹ 20 lacs (P.Y. ₹ 20 lacs).			

Note:

- The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a Defined Benefit Obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.
- The sensitivity analyses shown above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

39 Initial Public Offer (IPO)

The Company came up with an IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. The Company issued 45 lacs fully paid up equity shares of face value of ₹ 5 per share each at a premium of ₹ 655 per share thereby raising a total fund of ₹ 29,700 lacs.

Position of IPO Funds at the end of the year is as follows:

		₹ in lacs	
Particulars		FY 2020-21	FY 2019-20
Amount collected through IPO		29,700.00	29,700.00
Less : IPO expenses		1,896.25	1,896.25
Less : Fund utilized for promotion of future products		2,859.75	2,859.75
Less : Fund utilized for acquisitions & strategic initiatives		19,598.23	16,237.82
Less : Fund utilized for general corporate purpose		2,767.28	2,305.55
Closing Balance of IPO Funds as on 31 March		2,578.49	6,400.63

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for the year ended March 31, 2021

Pending utilisation, net proceeds of the IPO have been invested in interest bearing debt liquid instruments, bank deposits and other financial products as mentioned herein below:

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
(a) In Corporate Bonds	2,578.49	6,400.63
Total	2,578.49	6,400.63

40 Financial instruments

40.1 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. Primary objective of Company's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company does not have any long term debts hence there is no capital gearing ratio. Surplus fund has been invested into risk free highly liquid financial instruments.

40.2 Categorization of Financial Instruments

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
(i) Financial Assets		
a) Investments at Fair Value through Profit or Loss (note 6.2)	58,455.03	44,628.73
b) Measured at Amortised Cost		
i) Cash and Cash Equivalents (note 12)	560.53	874.54
ii) Other Bank Balance (note 13)	313.13	270.91
iii) Non Current Bank Balance (note 8)	-	28.31
iv) Loans (Current and Non Current) (note 7)	398.21	402.35
v) Trade Receivables (note 11)	2,607.49	2,860.05
	62,334.39	49,064.89
(ii) Financial Liabilities		
Measured at Amortised Cost		
i) Current Borrowings (note 17)	500.00	2,000.00
ii) Trade Payables (note 18)	6,873.88	8,092.36
iii) Other Financial Liabilities (note 19)	4,411.47	3,831.11
	11,785.35	13,923.47

Notes to Standalone Financial Statements

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40.3 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of the financial markets and seek to minimize the potential adverse effects on its financial performance.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity price risk. Financial instruments affected by market risk include trade receivables, deposits and current investments.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term debt obligation hence not affected by interest rate fluctuations. The Company has invested its surplus funds in fixed income securities. The mark to market valuation of its portfolio is impacted by fluctuation of the interest rates.

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company has international business and some part of its sales are in foreign currencies which exposes to changes in foreign exchange rates. Fluctuating rupee can impact the realisation of its receivables. The Company may use various hedging instruments to hedge its foreign currency risk associated with those exposures. The maximum export sales are done on advance payment basis and outstanding export receivables are very insignificant. Hence foreign currency risk has insignificant impact on the Company.

iii) Commodity Price Risk

The Company is affected by the price volatility of its key raw materials. Its operating activities require a continuous supply of key material for manufacturing of hair oil and other cosmetic products. The Company's procurement department continuously monitors the fluctuation in price and takes necessary action to minimise its price risk exposure.

(b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its treasury operation. The Company majorly sells its goods on advance payment basis and hence not subject to credit risk for its receivables. The Company has invested in high grade corporate bonds which have a strong track record hence the credit risk component of its investment portfolio is neutralised.

(c) Liquidity Risk

As of March 31, 2021, the Company has working capital of ₹ 58,313.25 lacs (current assets of ₹ 71,728.45 lacs including cash and cash equivalents of ₹ 560.53 lacs and current investments of ₹ 58,455.03 lacs). The Company has outstanding bank borrowings of ₹ 500 lacs as export credit which will be repaid within 6 months from export realisations. Accordingly, no liquidity risk is perceived.

40.4 Fair value Measurement

The management assessed that fair value of loans, cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

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The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

- i) The fair value of unquoted instruments are evaluated by the Company based on parameters such as interest rates and its investments.
- ii) The fair values of the quoted instruments are based on price quotations at the reporting date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 as described below:

	₹ in lacs			
Assets measured at fair value	Total	Level 1	Level 2	Level 3
As at March 31, 2021				
Current investments (quoted) (note 6.2)	58,455.03	58,455.03	-	-
Current investments (unquoted) (note 6.2)	-	-	-	-
As at March 31, 2020				
Current investments (quoted) (note 6.2)	44,628.67	44,628.67	-	-
Current investments (unquoted) (note 6.2)	0.06	-	0.06	-

41 Disclosures required pursuant to Ind AS 102 - Share Based Payment

Employee stock option plan

During the FY 18-19, the Company has implemented the Bajaj Corp Employee Restricted Stock Unit Plan 2018 ("RSU 2018") which was approved by the shareholders of the Company at the Annual General Meeting held on July 23, 2018 enabling the grant of 7,37,500 stock options to the some of the key management employees. Pursuant to the said approval, on August 14, 2018 the Company had granted 2,53,596 stock options to some key management employees of the Company, at an exercise price of ₹ 1 per stock option. Out of 2,53,596 stock options 40,159 have been exercised (FY 20-21 : 5,813 nos.; FY 19-20 : 34,346 nos.) and remaining 2,13,437 options have been forfeited (FY 20-21 : 1,14,667 nos.; FY 19-20 : 98,770 nos.)

During the previous year, on February 10, 2020, the Company has granted additional 167,803 stock options to key management employee, at an exercise price of ₹ 1 per stock option. Each option represents 1 equity share in the Company. The vesting period is 4 years from the date of grant and the exercise period is within three years from the date of vesting.

There are no cash settlement alternatives in RSU 2018.

Notes to Standalone Financial Statements

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The expense recognised for employee services received during the year is shown in the following table:

₹ in lacs

Particulars	FY 2020-21	FY 2019-20
Expense arising from equity-settled share-based payment transactions	(166.85)	129.21

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	FY 2020-21		FY 2019-20	
	Exercise Price (₹ per option)	Nos. of Option	Exercise Price (₹ per option)	Nos. of Option
Opening Balance	1.00	288,283	1.00	253,596
Granted during the year	1.00	-	1.00	167,803
Exercised during the year	1.00	5,813	1.00	34,346
Forfeited during the year	1.00	114,667	1.00	98,770
Closing balance	1.00	167,803	1.00	288,283
Vested and exercisable	-	-	-	-

Share option outstanding at the end of the year have following expiry date and exercise price:

Grant date	Expiry date	Exercise Price (₹ per option)	Share Option Outstanding	
			31-Mar-21	31-Mar-20
14-Aug-18	August 13, 2022-25	1	-	120,479
Weighted average remaining contractual life of the options (Years)			-	1.12
10-Feb-20	February 9, 2024-27	1	167,803	167,803
Weighted average remaining contractual life of the options (Years)			2.86	3.86

Fair value

The fair value of the share options is estimated at the grant date using Black Sholes Option Pricing Model, which takes into account the exercise price, terms and conditions of the options, the share price at grant date, expected price volatility of the underlying shares, the expected dividend yield and risk free interest rate.

The weighted average fair value of the options granted during the year is ₹ Nil (Previous Year : ₹ 195.92) per share.

The following assumption were used for calculating fair valuation of the grants:

Particulars	10-Feb-20	14-Aug-18
Dividend yield	3.00%	2.50%
Expected volatility	32%PA	24% PA
Risk free Interest rate	5.9%PA	7.20-7.70% PA
Expected life of the contract	1-4 years	1-4 years
Weighted average share price (₹ per share)	221.79	420.75

The volatility in share price is estimated from the actual movement in share prices of the Company over one year preceding the grant date. This historical volatility is the annualized standard deviation of the continuously compounded rates of daily stock returns.

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42 Related Party Disclosure

42.1 Related Parties and Relationships

	Name of the Related Party	Relationship
A	The entity and the reporting entity are members of the same group	
1	Bajaj Resources Limited	Holding company (Till October 18,2019) (refer note below)
2	Uptown Properties and Leasing Private Limited	Subsidiary company
3	Bajaj Bangladesh Limited	Subsidiary company
4	Bajaj Corp International (FZE)	Subsidiary company
B	The entity (including member of the same group) having Significant influence over the reporting entity	
1	Bajaj Resources Limited	Significant influence over the reporting entity (From October 19,2019) (refer note below)
2	KNB Enterprises LLP	Subsidiary of Bajaj Resources Limited
3	SKB Roop Commercial LLP	Subsidiary of Bajaj Resources Limited
C	Key management personnel of the reporting entity or of parent of the reporting entity	
1	Mr. Kushagra Bajaj	Chairman and Non Executive Director
2	Mr. Jaideep Nandi	Chief Executive Officer (From January 02, 2020 till June 30,2020) and Managing Director (w.e.f. July 01, 2020)
3	Mr. Sumit Malhotra	Managing Director (Till June 30,2020) and Non-Executive Director (w.e.f. July 01, 2020)
4	Mr. Aditya Vikram Somani	Independent Director
5	Mr. Gaurav Dalmia	Independent Director
6	Mr. Dilip Cherian	Independent Director
7	Ms. Lilian Jessie Paul	Independent Director
8	Mr. Dilip Kumar Maloo	Chief Financial Officer
9	Mr. Chandresh Chhaya	Company Secretary (w.e.f. February 11, 2020)
10	Mr. Makarand Karnataki	Company Secretary (Till February 10, 2020)
11	Mr. Apoorv Bajaj	Key Management Personnel
12	Mr. Ronak Kumar Modi	Key Management Personnel (Till October 18, 2019) refer note below
13	Mr. Aakash Gupta	Key Management Personnel (Till October 18, 2019) refer note below
D	Entities over which persons specified above having control or significant influence	
1	Abhitech Developers Private Limited	
2	Kamalnayan Jamnalal Bajaj Foundation	
3	Bajaj Hindusthan Sugar Limited	

Note :- Bajaj Resources Limited has sold 3,22,65,100 Equity Shares of the Company on October 18, 2019 resulting into reduction of equity holdings from 59.92% to 38.04%. Accordingly, w.e.f. October 19, 2019, Bajaj Resources Limited ceases to be the Holding Company of the Company and it become an entity having significant influence over the Company.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

42.2 Transactions during the year with Related Parties:

₹ in lacs

S No	Nature of Transaction	Holding company	Entity having Significant Influence over the Company	Key management personnel	Subsidiary company	Entities specified in D	Total
A. Statement of Profit and Loss							
1	Dividend Paid	-	4,490.00	2.52	-	-	4,492.52
		(-)	(-)	(-)	(-)	(-)	(-)
2	Royalty Expense	-	887.85	-	-	-	887.85
		(-)	(796.00)	(-)	(-)	(-)	(796.00)
3	Rent Expenses	-	88.11	-	-	11.21	99.33
		(43.29)	(37.08)	(-)	(-)	(10.08)	(90.45)
4	Sales of Goods	-	-	-	564.62	-	564.62
		(-)	(-)	(-)	(533.41)	(-)	(533.41)
5	Purchase of Goods	-	-	-	-	229.86	229.86
		(-)	(-)	(-)	(-)	(-)	(-)
6	Remuneration	-	-	987.68	-	-	987.68
		(-)	(-)	(979.34)	(-)	(-)	(979.34)
7	Retirement benefits (Gratuity)	-	-	121.52	-	-	121.52
		(-)	(-)	(-)	(-)	(-)	(-)
8	Share based payments	-	-	-	-	-	-
		(-)	(-)	(0.31)	(-)	(-)	(0.31)
9	Sitting Fees paid	-	-	11.00	-	-	11.00
		(-)	(-)	(9.65)	(-)	(-)	(9.65)
10	Professional Fee Paid	-	-	112.50	-	-	112.50
		(-)	(-)	(-)	(-)	(-)	(-)
11	Corporate Social Responsibility	-	-	-	-	533.38	533.38
		(-)	(-)	(-)	(-)	(567.38)	(567.38)
B. Balance Sheet							
1	Investment in Equity	-	-	-	50.00	-	50.00
		(-)	(-)	(-)	(592.55)	(-)	(592.55)
2	Security Deposit taken and refunded for appointment of Director	-	1.00	-	-	-	1.00
		(-)	(-)	(-)	(-)	(-)	(-)

(Figures in bracket are for previous year)

Notes to Standalone Financial Statements

for the year ended March 31, 2021

42.3 Outstanding Balances

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Entity having Significant Influence over the Company		
(i) Royalty	821.26	716.40
Subsidiaries		
(i) Sales of goods	362.66	447.19
(ii) Investment in Equity	14,466.80	14,416.80
(iii) Share Application Money	0.94	0.94
Entities specified in D		
(i) Rent	0.97	-
Key management personnel of the reporting entity		
(i) Remuneration	-	39.62

43 Figures have been regrouped/rearranged wherever necessary.

44 This Standalone Financial Statements for the year ended March 31, 2021 were approved by the Board of Directors on April 19, 2021.

As per our report of even date
For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain
Proprietor
M. No. 134684

Place : Surat
Date : April 19, 2021

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi
Managing Director
DIN 06938480

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Dilip Cherian
Director
DIN 00322763

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Independent Auditors' Report

To the Members of Bajaj Consumer Care Limited

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Bajaj Consumer Care Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on standalone financial statements of subsidiaries as audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2021, of consolidated profit (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is

sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income) consolidated changes in equity and consolidated cash flows

of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial

statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 8,341.46 lacs as at March 31, 2021, total revenues of ₹ 1,284.98 lacs and net cash inflows amounting to ₹ 21.09 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Two of these subsidiaries are located outside India whose financial statements have been prepared in accordance

with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on standalone financial statements of subsidiaries as audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'.

(g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary companies, where applicable, to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and

according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 22 to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

Sidharth Jain

Proprietor

Membership No.: 134684

UDIN: 21134684AAAADX8811

Place: Surat

Date: April 19, 2021

Annexure 'A'

Annexure to the independent auditor's report of even date on the Consolidated financial statements of Bajaj Consumer Care Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of Bajaj Consumer Care Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the of the Holding company, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements

includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control

with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

Sidharth Jain

Proprietor

Membership No.: 134684

UDIN: 21134684AAAADX8811

Place: Surat

Date: April 19, 2021

Consolidated Balance Sheet

as at March 31, 2021

		₹ in lacs	
Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment	3	10,362.31	10,777.11
(b) Capital Work-in-Progress	4	2,523.49	2,443.78
(c) Goodwill	5	4,300.10	4,300.10
(d) Other Intangible Assets	5	195.65	24.25
(e) Intangible Assets under development	5	-	216.20
(f) Financial Assets			
(i) Loans	7	381.37	371.84
(ii) Others	8	-	39.50
(g) Deferred tax assets (net)	14	7.57	-
(h) Other Non-Current Assets	9	7.47	51.51
		17,777.96	18,224.29
Current Assets			
(a) Inventories	10	4,316.68	6,296.25
(b) Financial Assets			
(i) Investments	6	58,455.03	44,629.83
(ii) Trade Receivables	11	2,244.83	2,554.42
(iii) Cash and Cash Equivalents	12	646.32	981.42
(iv) Bank Balance other than (iii) above	13	336.37	281.70
(v) Loans	7	34.37	51.13
(c) Current tax Assets (net)	14	627.73	621.21
(d) Other Current Assets	9	4,926.89	7,820.45
		71,588.22	63,236.41
		89,366.18	81,460.70
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	1,475.40	1,475.34
(b) Other Equity	16	74,235.28	63,842.00
		75,710.68	65,317.34
Liabilities			
Non - Current Liabilities			
(a) Deferred tax Liability (Net)	14	-	4.14
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	500.00	2,000.00
(ii) Trade Payables			
(a) total outstanding dues of micro and small enterprises	18	334.52	345.63
(b) total outstanding dues of creditors other than micro and small enterprises	18	6,559.29	7,766.91
(iii) Other Financial Liabilities	19	4,595.00	4,118.69
(b) Other Current Liabilities	20	1,428.91	1,897.07
(c) Provisions	21	49.51	10.86
(d) Current tax Liabilities (Net)	14	188.27	0.06
		13,655.50	16,139.22
		89,366.18	81,460.70
TOTAL EQUITY AND LIABILITIES			
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Consolidated Financial Statements.
As per our report of even date For and on behalf of the Board

For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain
Proprietor
M. No. 134684

Kushagra Bajaj
Chairman
DIN 00017575

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi
Managing Director
DIN 06938480

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Dilip Cherian
Director
DIN 00322763

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Place : Surat
Date : April 19, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

₹ in lacs

Particulars	Note No.	For the Year ended Mar 31, 2021	For the Year ended Mar 31, 2020
I. Revenue from Operations	23	92,181.44	85,220.83
II. Other Income	24	3,454.30	2,991.22
III. Total Revenue (I + II)		95,635.74	88,212.05
IV. Expenses			
1. Cost of Materials Consumed	25	23,311.50	26,795.33
2. Purchase of Stock in Trade		8,461.05	1,815.85
3. Changes in Inventories of Finished Goods, Stock in Trade and Work-in-Progress	26	1,199.09	(1,258.32)
4. Employee Benefits Expense	27	8,496.79	8,691.50
5. Finance Costs	28	137.54	424.65
6. Depreciation and Amortisation	29	625.24	580.63
7. Other Expenses	30	26,368.46	28,663.57
Total Expenses		68,599.67	65,713.21
V. Profit before tax (III-IV)		27,036.07	22,498.84
VI. Tax Expense:			
1. Current tax	14	4,734.51	4,035.31
2. Tax expenses of earlier year	14	-	(1.54)
3. Deferred tax	14	(11.71)	(12.32)
		4,722.80	4,021.45
VII. Profit for the period (V - VI)		22,313.27	18,477.39
VIII. Other Comprehensive Income			
(A) Items that will not be Reclassified to Statement of Profit and Loss			
- Remeasurement gains / (losses) on Defined Benefit Plans	32	50.43	25.86
- Income tax effect		(8.81)	(4.52)
		41.62	21.34
(B) Items that will be Reclassified to Statement of Profit and Loss			
- Foreign Currency Translation Difference	32	8.45	(47.29)
- Income tax effect		-	-
		8.45	(47.29)
Total Other Comprehensive Income (VIII)		50.07	(25.95)
IX. Total Comprehensive Income for the period (VII+VIII)		22,363.34	18,451.44
X. Earnings per Equity Share:			
1. Basic	33	15.12	12.52
2. Diluted		15.12	12.52
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Consolidated Financial Statements.
As per our report of even date For and on behalf of the Board

For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain
Proprietor
M. No. 134684

Kushagra Bajaj
Chairman
DIN 00017575

Lilian Jessie Paul
Director
DIN 02864506

Sumit Malhotra
Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi
Managing Director
DIN 06938480

Aditya Vikram Somani
Director
DIN 00046286

D.K. Maloo
Chief Financial Officer

Dilip Cherian
Director
DIN 00322763

Gaurav Dalmia
Director
DIN 00009639

Chandresh Chhaya
Company Secretary
M.No. 4813

Place : Surat
Date : April 19, 2021

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

(A) Equity Share Capital

Particulars	Nos. in lacs	₹ in lacs
Equity shares of ₹ 1 each Issued, Subscribed and Fully Paid up		
As at April 1, 2019	1,475.00	1,475.00
Change in Equity Share Capital during the year	0.34	0.34
As at March 31, 2020	1,475.34	1,475.34
Change in Equity Share Capital during the year	0.06	0.06
As at March 31, 2021	1,475.40	1,475.40

(B) Other Equity

For the Year ended March 31, 2021

For the Year ended March 31, 2021							₹ in lacs
Particulars	Attributable to Equity holders of Parent					Non-Controlling Interest	Total Other Equity
	Reserves and Surplus			Item of OCI	Total		
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account			
As at April 1, 2020	29,609.33	6,561.44	27,471.35	283.06	(83.18)	63,842.00	63,842.00
Profit for the year	-	-	22,313.27	-	-	22,313.27	22,313.27
Recognition of share based payment expenses (refer note 39)	-	-	-	(166.85)	-	(166.85)	(166.85)
Issue of equity shares on exercise of employee stock options (note 39)	22.79	-	-	(22.79)	-	-	-
Other Comprehensive Income (Note 32)	-	-	41.62	-	8.45	50.07	50.07
Total	29,632.12	6,561.44	49,826.24	93.42	(74.73)	86,038.49	86,038.49
Payment of Interim Dividend	-	-	(11,803.21)	-	-	(11,803.21)	(11,803.21)
Dividend Distribution Tax	-	-	-	-	-	-	-
As at March 31, 2021	29,632.12	6,561.44	38,023.03	93.42	(74.73)	74,235.28	74,235.28

For the Year ended Mar 31, 2020

For the Year ended Mar 31, 2020							₹ in lacs	
Particulars	Attributable to Equity holders of Parent					Non-Controlling Interest	Total Other Equity	
	Reserves and Surplus			Item of OCI				Total
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account	Foreign Currency Translation Reserve			
As at April 1, 2019	29,475.00	6,561.44	8,972.62	288.18	(35.89)	45,261.35	45,261.35	
Profit for the year	-	-	18,477.39	-	-	18,477.39	18,477.39	
Recognition of share based payment expenses (refer note 39)	-	-	-	129.21	-	129.21	129.21	
Issue of equity shares on exercise of employee stock options (note 39)	134.33	-	-	(134.33)	-	-	-	
Other Comprehensive Income (Note 32)	-	-	21.34	-	(47.29)	(25.95)	(25.95)	
Total	29,609.33	6,561.44	27,471.35	283.06	(83.18)	63,842.00	63,842.00	
Payment of Interim Dividend	-	-	-	-	-	-	-	
Dividend Distribution Tax	-	-	-	-	-	-	-	
As at March 31, 2020	29,609.33	6,561.44	27,471.35	283.06	(83.18)	63,842.00	63,842.00	

Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

For **Sidharth N Jain & Company**

Chartered Accountants

Firm's Registration No.: 018311C

Sidharth JainProprietor
M. No. 134684**Kushagra Bajaj**Chairman
DIN 00017575**Lilian Jessie Paul**Director
DIN 02864506**Sumit Malhotra**Director
DIN 02183825**Jaideep Nandi**Managing Director
DIN 06938480**Aditya Vikram Somani**Director
DIN 00046286**D.K. Maloo**

Chief Financial Officer

Dilip CherianDirector
DIN 00322763**Gaurav Dalmia**Director
DIN 00009639**Chandresh Chhaya**Company Secretary
M.No. 4813Place : Surat
Date : April 19, 2021Place : Mumbai
Date : April 19, 2021

Consolidated Statement of Cash Flow

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the Year ended Mar 31, 2021	For the Year ended Mar 31, 2020
A. Cash Flow from Operating Activities		
Profit before Tax	27,036.07	22,498.84
Adjustments for:		
Depreciation and Amortisation	625.24	580.63
Share based payment expenses	(166.85)	129.21
Interest Income	(3,243.37)	(2,833.02)
Net loss/(gain) on Current Investments	(170.44)	(101.11)
Net loss/(gain) on sale of Property, Plant and Equipment	(1.51)	(15.03)
Rent Received	(38.98)	(42.06)
Interest Expenses	121.30	405.85
Operating Profit before Working Capital Change	24,161.46	20,623.31
Movement for Working Capital		
(Increase)/Decrease in Trade and Other Receivables	316.82	1,058.14
(Increase)/Decrease in Inventories	1,979.57	(204.14)
(Increase)/Decrease in Other Assets	2,911.45	(1,744.57)
Increase/(Decrease) in Trade and Other Payable	(1,094.61)	2,949.49
Cash Generated from Operations	28,274.69	22,682.23
Less: Direct taxes paid/deducted at source	(4,561.63)	(4,778.74)
Net Cash from/ (Used in) Operating Activities (A)	23,713.06	17,903.49
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(157.57)	(471.97)
Purchase of Intangible Assets	(111.22)	(229.29)
Interest Received	3,243.37	2,833.02
Net Proceeds from sale/(purchase) of Current Investments	(13,654.76)	(19,440.62)
Proceeds from sale of Property, Plant and Equipment	25.01	126.02
Bank Deposit with Original Maturity of more than 3 months	(15.97)	(116.26)
Rent Received	38.98	42.06
Net Cash from/ (Used in) Investing Activities (B)	(10,632.16)	(17,257.04)
C. Cash Flow from Financing Activities		
Current Borrowing net of repayment	(1,500.00)	(500.00)
Interest Paid	(121.30)	(405.85)
Proceed from issue of Equity Share Capital (ESOP)	0.06	0.34
Dividend Paid	(11,803.21)	-
Net Cash from/ (Used in) Financing Activities (C)	(13,424.45)	(905.51)
D Effect of foreign exchange fluctuation (D)	8.45	(47.29)
Net increase/(decrease) in Cash & Cash Equivalents (A+B+C+D)	(335.10)	(306.35)
Cash & Cash Equivalents - Opening Balance	981.42	1,287.77
Cash & Cash Equivalents - Closing Balance (Note12)	646.32	981.42

Significant Accounting Policies

1 & 2

Note: The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Kushagra Bajaj
Chairman
DIN 00017575

Jaideep Nandi
Managing Director
DIN 06938480

Dilip Cherian
Director
DIN 00322763

Sidharth Jain
Proprietor
M. No. 134684

Lilian Jessie Paul
Director
DIN 02864506

Aditya Vikram Somani
Director
DIN 00046286

Gaurav Dalmia
Director
DIN 00009639

Sumit Malhotra
Director
DIN 02183825

D.K. Maloo
Chief Financial Officer

Chandresh Chhaya
Company Secretary
M.No. 4813

Place : Surat
Date : April 19, 2021

Place : Mumbai
Date : April 19, 2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

1 Corporate Information:

The consolidated financial statements comprise financial statements of Bajaj Consumer Care Limited and its subsidiaries (collectively, 'the Group') for the year ended March 31, 2021. The Parent Company is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Parent Company is located Old Station Road, Sevashram Chauraha, Udaipur, (Rajasthan).

The Group is engaged in the business of cosmetics, toiletries and other personal care products. The Group has presence in both domestic and international markets. Information on the Group's structure is provided in Note 40 and other related party relationships of the Group is provided in Note 42.

The name of the Company has been changed from "Bajaj Corp Limited" to "Bajaj Consumer Care Limited" w.e.f. January 01, 2019. There is no change in Corporate Identification Number (CIN: L01110RJ2006PLC047173).

2 Significant Accounting Policies:

2.1 Statement of Compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of Preparation of Financial Statements

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies explained below.

Accounting policies have been consistently applied except where a newly issued accounting standard is

initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in ₹ in lacs and all values are rounded to the nearest two decimals, except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criterion set out in schedule III of the Act. Based on the nature of the product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Basis of Consolidation

- (i) The Consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. Control is achieved when the Company has
 - a) power over the investee,
 - b) Exposure, or rights, to variable returns from its involvement with the investee, and
 - c) The ability to use its power over the investee to affect its returns
- (ii) Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.
- (iii) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

- (iv) The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

Consolidation Procedure

- a) The financial statements of the parent Company and its subsidiary companies have been combined on a line-by line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flows.
- b) Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group.
- d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- e) On consolidation, the assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

2.4 Business Combination

- (i) Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests

in the acquiree. Acquisition related costs are expensed as incurred.

- (ii) At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities.
- (iii) Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.
- (iv) If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, with clear evidence of bargain purchase, then the gain is recognised in OCI and accumulated in equity as capital reserve. In other case the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.
- (v) After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination.
- (vi) If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss.

2.5 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

2.6 Property, Plant and Equipment

All the property, plant and equipment are stated in the consolidated financial statements at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on additions/deletions to Property, plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding Rs 5,000 which are fully depreciated over a period of one year.

Profit or loss on sale / retirement of property, plant and equipment (PPE) is recognized in statement of profit and loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

2.7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a systematic basis over a period of useful life.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

2.8 Research and Development

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can

reasonably be regarded as assured and is amortized over the period of expected future benefit.

2.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

(i) Sale of Goods :

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of taxes on sales, customer returns, rebates and other similar allowance.

(ii) Interest Income :

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the Group and amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

(iii) Dividend income:

Dividend income is recognised when the Group's right to receive dividend is established, which is generally when shareholders approve the dividend.

(iv) Contract balances:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

2.10 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

2.11 Leases

(i) Group as a Lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value leases. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

(ii) Group as a Lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

Transition to Ind AS 116

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019. The Group has evaluated and classified all lease contract existing as at April 1, 2019 as short term leases / low value leases.

2.12 Inventories

- (i) Stock of raw material and packing materials is valued at cost or net realisable value whichever

is lower. Cost is arrived at on Weighted Average basis.

- (ii) Stock of work in progress and finished goods is valued at cost or net realisable value whichever is lower.
- (iii) Stock of traded goods is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

a) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

b) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following category:

- (i) Debt Instruments at Amortised Cost
- (ii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

(i) Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and loss. The losses arising from impairment are recognised in the Statement of Profit and loss. This category generally applies to trade and other receivables, bank fixed deposits.

(ii) Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset.

d) Impairment of Financial Assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., net cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

(iii) Financial Liabilities

a) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings.

b) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

2.15 Foreign Currency Transaction

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. Non-monetary items that are measured

in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(iii) Exchange Differences

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognized as income or as expenses in the year in which they arise.

2.16 Employee Benefits:

(i) Short Term Employee Benefits:

Short term employee benefits are recognised as expenditure at the undiscounted value in the Statement of Profit and Loss for the year in which the related service is rendered.

(ii) Post Employment Benefits:

(a) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(b) Defined Benefit Plans

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

value of the Gratuity obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss. 1) service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and 2) Net interest expense or income.

(c) Share based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured the fair value of the equity instruments at the grant date. Details regarding the determination of fair value of equity-settled share-based payment transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of

the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve ("Share option outstanding account").

2.17 Taxation

(i) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred income taxes reflects the impact of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

In the situations where the Group Company is entitled to a tax holiday under the Income-tax Act,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Group Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.18 Impairments of Non Financial Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. An impairment loss is recognised in profit or loss section of the statement of profit and loss for the year in which an asset is identified as impaired.

2.19 Earnings Per Share

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to equity

shareholders by the weighted average number of equity shares outstanding during the period.

2.20 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and Bank deposits with original maturity of three months or less.

2.21 Provisions, Contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in the consolidated financial statements unless possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are disclosed in the consolidated financial statements when an inflow of economic benefits is probable.

2.22 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.23 Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable on Consolidated Financial statement from April 1, 2021.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

3. Property, Plant and Equipment

Particulars	Land	Lease hold Improve-ments	Buildings	Plant and Machinery	Office and Other Equipment	Furniture and Fittings	Vehicles	Total
₹ in lacs								
Gross Block								
As at April 1, 2019	6,582.35	254.46	3,608.51	2,022.32	507.69	132.58	170.58	13,278.49
Additions	58.78	-	-	263.55	13.71	2.23	-	338.27
Disposals	-	-	-	239.31	9.42	0.03	-	248.76
As at March 31, 2020	6,641.13	254.46	3,608.51	2,046.56	511.98	134.78	170.58	13,368.00
Additions	-	-	-	33.51	39.23	5.18	-	77.92
Disposals	-	-	-	47.52	3.74	-	-	51.26
As at March 31, 2021	6,641.13	254.46	3,608.51	2,032.55	547.47	139.96	170.58	13,394.66
Depreciation and Impairment								
As at April 1, 2019	-	110.44	746.39	837.14	295.39	80.88	96.51	2,166.75
Depreciation for the year	-	37.37	169.81	224.73	93.04	14.06	22.90	561.91
Disposals	-	-	-	129.78	7.96	0.03	-	137.77
As at March 31, 2020	-	147.81	916.20	932.09	380.47	94.91	119.41	2,590.89
Depreciation for the year	-	27.22	158.28	201.10	55.32	12.69	14.61	469.22
Disposals	-	-	-	24.35	3.41	-	-	27.76
As at March 31, 2021	-	175.03	1,074.48	1,108.84	432.38	107.60	134.02	3,032.35
Net Book Value								
As at March 31, 2020	6,641.13	106.65	2,692.31	1,114.47	131.51	39.87	51.17	10,777.11
As at March 31, 2021	6,641.13	79.43	2,534.03	923.71	115.09	32.36	36.56	10,362.31

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

4. Capital Work-in- Progress

	₹ in lacs
	Work in Progress
Gross Block	
As at April 1, 2019	2,247.15
Additions	275.69
Capitalized during the year	79.06
As at March 31, 2020	2,443.78
Additions	79.71
Capitalized during the year	-
As at March 31, 2021	2,523.49

5. Intangible Assets

	₹ in lacs			
Particulars	Goodwill	Trademark & Intellectual Properties	Computer Software	Intangible Assets under Development
Gross Block				
As at April 1, 2019	4,300.10	6,536.35	124.11	-
Additions	-	-	13.09	216.20
Disposals	-	-	-	-
As at March 31, 2020	4,300.10	6,536.35	137.20	216.20
Additions	-	-	327.42	-
Disposals	-	-	-	216.20
As at March 31, 2021	4,300.10	6,536.35	464.62	-
Amortisation and Impairment				
As at April 1, 2019	-	6,536.35	94.23	-
Amortisation for the year	-	-	18.72	-
Disposals	-	-	-	-
As at March 31, 2020	-	6,536.35	112.95	-
Amortisation for the year	-	-	156.02	-
Disposals	-	-	-	-
As at March 31, 2021	-	6,536.35	268.97	-
Net Book Value				
As at March 31, 2020	4,300.10	-	24.25	216.20
As at March 31, 2021	4,300.10	-	195.65	-

	₹ in lacs	
Net Book Value	As at March 31, 2021	As at March 31, 2020
Goodwill (Refer note (i) below)	4,300.10	4,300.10
Intangible Assets	195.65	24.25
Intangible Assets under development (ii)	-	216.20

Note:

- Goodwill is related to acquisition of a subsidiary company Uptown Properties and Leasing Private Limited. For impairment testing purpose goodwill is allocated to CGU of Uptown Properties and Leasing Private Limited. The fair value of the CGU is higher than its carrying amount. Accordingly no impairment losses has been identified.
- Intangible assets under development is towards SAP implementation.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

6 Investments

6.1 Current Investments

₹ in lacs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments at Fair Value through Profit or Loss		
a) Investment in Government Securities	25,847.20	8,347.84
b) Investment in Bonds	32,607.83	36,280.83
c) Investment in Mutual Funds	-	1.16
Total	58,455.03	44,629.83

(i) Script wise breakup of above investments is as follows:

a) Investment in Government Securities - Quoted

Government Securities	As at March 31, 2021		As at March 31, 2020	
	Units	₹ in lacs	Units	₹ in lacs
Karnataka	-	-	204	2,095.28
West Bengal	105	1,048.14	600	6,252.56
Rajasthan SDL	350	3,492.63	-	-
Gujrat SDL	115	1,137.05	-	-
Kerla SDL	1,300	13,098.72	-	-
Uttar Pradesh SDL	500	5,075.42	-	-
Assam SDL	200	1,995.24	-	-
Total	2,570	25,847.20	804	8,347.84

b) Investment in Bonds - Quoted

Bonds	As at March 31, 2021		As at March 31, 2020	
	Units	₹ in lacs	Units	₹ in lacs
REC Bond	500	5,085.73	2,250	23,736.96
IRFC Bond	-	-	700	7,102.75
NHAI Bond	-	-	600	5,441.12
HDFC Bond	100	1,029.05	-	-
Nabard Bond	600	6,076.04	-	-
FCI Bond	200	2,085.80	-	-
BSNL Bond	250	2,500.26	-	-
NPCL Bond	50	499.40	-	-
MTNL Bond	350	3,539.16	-	-
PNB Tier 2 Bond	250	2,579.04	-	-
PFC Bond	500	5,164.86	-	-
PNB Bond	100	1,026.67	-	-
Union Bank Bond	29	3,021.82	-	-
Total	2,929	32,607.83	3,550	36,280.83

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

c) Investments in Debt Mutual Fund - Unquoted

Debt Mutual Fund	As at March 31, 2021		As at March 31, 2020	
	Units	₹ in lacs	Units	₹ in lacs
UTI Liquid Cash Plan Direct Growth	-	-	13.919	1.10
ICICI Prudential Liquid Fund Direct Growth	-	-	20.728	0.06
Total	-	-	34.647	1.16

(ii) Aggregate Value of Investments

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Carrying amount of Quoted Investments	58,455.03	44,628.67
b) Market value of Quoted Investments	58,455.03	44,628.67
c) Carrying amount of Unquoted Investments	-	1.16
d) Impairment in the value of Investments	-	-
Total (a+c)	58,455.03	44,629.83

7 Loans

7.1 Non Current Loans

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Considered good	381.37	371.84
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	381.37	371.84
Less:- Allowance for credit impaired	-	-
Total	381.37	371.84

7.2 Current Loans

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Refundable Security Deposits	12.57	15.66
b) Other Recoverable	21.80	35.47
Total	34.37	51.13
Out of the above		
Considered good	34.37	51.13
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	34.37	51.13
Less:- Allowance for credit impaired	-	-
Total	34.37	51.13

(i) These financial assets are carried at amortised cost.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

8 Other Financial Assets

8.1 Non-Current

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Non - Current Bank Balance (Fixed deposits maturing after 12 months from reporting date)	-	39.50
Total	-	39.50

9 Other Non Financial Assets

9.1 Non-Current

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Capital Advances	-	26.15
b) Deferred rent	7.47	25.36
Total	7.47	51.51

9.2 Current

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Advance other than Capital Advances		
(i) Advances to Suppliers	366.15	170.68
(ii) Advances to Staff	124.76	119.47
b) Prepaid Expenses	92.30	76.00
c) Balance with Govt. Authorities	4,325.80	7,436.42
d) Deferred rent	17.88	17.88
Total	4,926.89	7,820.45

10 Inventories

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Raw Materials	1,072.87	1,475.25
b) Packing Materials	594.80	1,004.44
c) Finished Goods	1,856.45	3,059.20
d) Stock in Trade	655.65	477.83
e) Work-in-Progress	105.37	279.53
f) Stores and Spares	31.54	-
Total	4,316.68	6,296.25

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

11 Trade Receivables

		₹ in lacs
Particulars	As at March 31, 2021	As at March 31, 2020
a) Secured, considered good	-	-
b) Unsecured, considered good	2,244.83	2,554.42
c) Balance having significant increase in credit risk	-	-
d) Credit impaired	-	-
	2,244.83	2,554.42
Less: Allowances for credit impaired	-	-
Total	2,244.83	2,554.42

(i) Refer note no 38.3 for credit risk analysis of Trade receivable.

12 Cash and Cash Equivalents

		₹ in lacs
Particulars	As at March 31, 2021	As at March 31, 2020
i) Balances with Banks:		
On Current Account	600.27	515.51
Deposit with original maturity of less than 3 months	40.68	450.31
ii) Cash in Hand	5.37	15.60
Total	646.32	981.42

13 Other Bank Balances

		₹ in lacs
Particulars	As at March 31, 2021	As at March 31, 2020
a) Earmarked balances with banks	8.33	9.13
b) Fixed deposits maturing within 12 months from the reporting date	328.04	272.57
Total	336.37	281.70

14 Income Tax

14.1 Current Tax Assets and Liabilities

		₹ in lacs
Particulars	As at March 31, 2021	As at March 31, 2020
Current tax Assets		
Advance Income Tax (Net)	627.73	621.21
Current tax Liabilities		
Income tax payables (Net)	188.27	0.06

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

14.2 Deferred Tax Assets and Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets	7.57	-
Deferred Tax Liabilities	-	4.14
Total	7.57	4.14

Breakup of Deferred Tax Liabilities/(Assets) is as follows

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Opening Balance	4.14	16.46
Recognised in Statement of Profit and Loss - Property, plant and equipments	(11.71)	(12.32)
Total	(7.57)	4.14

One of the major manufacturing location of the Holding Company is currently in tax holiday period. The Holding Company expects to remain in lower tax bracket than the normal tax. The Holding Company pays and recognise minimum stipulated tax on book profit as per the Income tax laws. Therefore, no deferred tax liabilities / assets are recognised in respect of those temporary differences which will be reversed in tax holiday period. Further, there are no reconciliation items between tax expense and the product of accounting profit multiplied by the applicable tax rate.

14.3 Total Income Tax Expenses

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
a) Income Tax Recognised in Statement of Profit and Loss		
Current tax		
In respect of the current year	4,734.51	4,035.31
In respect of the earlier years	-	(1.54)
Deferred tax		
In respect of current year	(11.71)	(12.32)
Total	4,722.80	4,021.45
b) Income Tax recognised in Other Comprehensive Income		
Income Tax on Re-measurement of Defined Benefit Obligation	8.81	4.52
Total Income tax	4,731.61	4,025.97

15 Share capital

(i) Description of Equity Share Capital

Particulars	Face Value per Share	As at March 31, 2021		As at March 31, 2020	
		Nos (In lacs)	Amount (₹ in lacs)	Nos (In lacs)	Amount (₹ in lacs)
a) Authorised	1.00	2,000.00	2,000.00	2,000.00	2,000.00
b) Issued	1.00	1,475.40	1,475.40	1,475.34	1,475.34
c) Subscribed & Fully Paid up	1.00	1,475.40	1,475.40	1,475.34	1,475.34

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(ii) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Nos. in lacs	1 in lacs
Equity Shares of ₹ 1 each Issued, Subscribed and Fully Paid up		
As at April 1, 2019	1,475.00	1,475.00
Shares allotted during the year	0.34	0.34
As at March 31, 2020	1,475.34	1,475.34
Shares allotted during the year	0.06	0.06
As at March 31, 2021	1,475.40	1,475.40

(iii) Terms/ Rights attached to Equity Shares:

The Company has one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Out of the total equity shares of 1,475.40 lacs (Previous year 1,475.34 lacs), 561.25 lacs shares (i.e. 38.04%) are held by Bajaj Resources Limited (Holding Company till Oct 18, 2019), along with its subsidiaries (KNB Enterprises LLP and SKB Roop Commercials LLP).

(v) Details of shareholders holding more than 5% shares of the Company as year end are given below:

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	Nos. in lacs	% of holding	Nos. in lacs	% of holding
1. Bajaj Resources Limited	561.10	38.03%	561.10	38.03%
2. ICICI Prudential Mutual Fund	100.95	6.84%	128.36	8.70%
3. HDFC Trustee Company Limited	67.00	4.54%	75.66	5.13%
4. Baytree Investments (Mauritius) Pte Ltd	-	0.00%	98.64	6.69%
5. KNB Enterprises LLP	0.10	0.01%	0.10	0.01%
6. SKB Roop Commercial LLP	0.05	0.00%	0.05	0.00%
	729.20	49.42%	863.91	58.56%

16 Other Equity

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Securities Premium	29,632.12	29,609.33
b) General Reserve	6,561.44	6,561.44
c) Foreign Currency Translation Reserve	(74.73)	(83.18)
d) Share Option outstanding Account (Refer note below)	93.42	283.06
e) Retained Earnings	38,023.03	27,471.35
Total	74,235.28	63,842.00

Refer Statement of Change in Equity for movement in Components of Other Equity.

The Company has an equity settled share based payment plan for certain category of employees of the company. Refer note 39 for further details of this plan.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

17 Current Borrowings

₹ in lacs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
From Bank - Export Credit in INR	500.00	2,000.00
Total	500.00	2,000.00

The borrowing is under 'Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit' notified by the RBI (earlier known as Interest Subvention Scheme) and carries interest at the rate of 3.95% to 4.15% (PY 5.15% to 6.27%) per annum.

18 Trade Payables

₹ in lacs

Particulars	As at March 31, 2021	As at March 31, 2020
Due to Micro and Small enterprises	334.52	345.63
Due to others	6,559.29	7,766.91
Total	6,893.81	8,112.54

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

₹ in lacs

Particulars	As at March 31, 2021	As at March 31, 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	334.52	345.63
ii) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	1.46	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.17	0.19
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of information available with the Group.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

19 Other Financial Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Security Deposits from C&F and Others	59.50	59.50
b) Unclaimed Dividends	8.33	9.13
c) Other Outstanding Liabilities	4,454.15	3,950.95
d) Payable for Capital Goods	73.02	99.11
Total	4,595.00	4,118.69

20 Other Current Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
a) Advances from Customers	506.44	885.11
b) Statutory Liabilities	922.47	1,011.96
Total	1,428.91	1,897.07

21 Provisions

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Provisions for Employee Benefit (refer note no 36)	49.51	10.86
Total	49.51	10.86

22 Contingent Liabilities and Commitments

Contingent Liabilities

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debt		
Indirect Tax	149.03	-

- (i) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- (ii) The Group periodically receives notices and inquiries from income tax authorities related to the Group's operations in the jurisdictions it operates in. The Group has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Commitments

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
i) Lease Commitments		
Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets and leases with term less than twelve months		
Within one year	40.69	56.72
After one year but not more than five years	1.63	42.32
More than five years	-	-
ii) Capital Commitments		
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	-	94.80
	42.32	193.84

23 Revenue from operations

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
a) Sale of Products	90,515.68	82,575.94
b) Other Operating Revenues		
(i) Government Grant	1,477.09	2,391.19
(ii) Others	188.67	253.70
Total	92,181.44	85,220.83

24 Other Income

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
a) Interest Income	3,243.37	2,833.02
b) Net gain / (loss) on sale of Current Investments	405.84	155.91
c) Net gain on sale of Property, Plant and Equipments	1.51	15.03
d) Fair value gain / (loss) on Financial Assets at FVTPL	(235.40)	(54.80)
e) Rent Received	38.98	42.06
Total	3,454.30	2,991.22

25 Cost of Material Consumed

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
Inventory as at the beginning of the year	2,479.69	3,533.87
Add: Purchases	22,499.48	25,741.15
Less: Inventory at the end of the year	1,667.67	2,479.69
Cost of Material Consumed	23,311.50	26,795.33

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

26 Change in Inventories

₹ in lacs			
Particulars	FY 2020-21	FY 2019-20	Changes
Inventories at the end of the Period			
Finished Goods	1,856.45	3,059.20	1202.75
Traded Goods	655.65	477.83	(177.82)
Work-in-Progress	105.37	279.53	174.16
	2,617.47	3,816.56	1199.09
Inventories at the beginning of the Period			
Finished Goods	3,059.20	2,055.80	(1003.40)
Traded Goods	477.83	249.67	(228.16)
Work-in-Progress	279.53	252.77	(26.76)
	3,816.56	2,558.24	(1258.32)
Change in Inventories	1,199.09	(1258.32)	

27 Employee Benefits Expense

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Salaries and Wages	7,877.61	7,766.80
b) Contribution to Provident and Other Funds (note no 36)	591.24	629.16
c) Gratuity expenses (note no 36)	139.38	122.95
d) Staff Training and Welfare expenses	55.41	43.38
e) Share based payment expenses	(166.85)	129.21
Total	8,496.79	8,691.50

28 Finance Costs

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Interest expense	121.30	405.85
b) Bank Charges	16.24	18.80
Total	137.54	424.65

29 Depreciation and Amortisation Expenses

₹ in lacs		
Particulars	FY 2020-21	FY 2019-20
a) Depreciation on Property, Plant and Equipment	469.22	561.91
b) Amortisation of Intangible Assets	156.02	18.72
Total	625.24	580.63

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

30 Other Expenses

		₹ in lacs	
Particulars		FY 2020-21	FY 2019-20
a) Advertisement and Sales Promotion Expenses		15,700.57	17,552.39
b) Freight, Forwarding and Distribution Expenses		3,789.82	3,545.46
c) Travelling and Conveyance		919.88	1,823.51
d) Royalty		887.85	796.00
e) Rent (refer note no 37)		751.84	734.94
f) Manufacturing Expenses		1,426.45	1,436.22
g) Power and fuel (Mfg)		87.19	103.85
h) Legal & Professional Expenses		335.12	249.29
i) Postage and Telephone		422.41	422.96
j) Power and fuel		30.07	44.73
k) Insurance		211.08	222.89
l) Audit Fees & Expenses (refer note no 31)		13.97	14.32
m) Repairs - Building		14.46	14.84
n) Repairs - Machinery		35.77	38.71
o) Repairs - Others		55.17	33.59
p) Foreign exchange rate fluctuation		22.27	1.92
q) Rates and taxes		40.76	48.07
r) Information Technology Expenses		472.27	304.84
s) Corporate Social Responsibility (refer note no 35)		533.38	567.38
t) Miscellaneous expenses		618.13	707.66
Total		26,368.46	28,663.57

31 Payment to Auditors

		₹ in lacs	
Particulars		FY 2020-21	FY 2019-20
(a) For Statutory Audit		11.22	11.57
(b) For Tax Audit		2.00	2.00
(c) For Others services		0.75	0.75
Total		13.97	14.32

32 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

		₹ in lacs	
Particulars		FY 2020-21	FY 2019-20
i) Retained earnings			
a) Re-measurement (gains) / losses on Defined Benefit Plans (Retained Earnings)		(50.43)	(25.86)
b) Tax impact on above		8.81	4.52
Total OCI in Retained earnings		(41.62)	(21.34)
ii) Foreign currency translation reserve (FCTR)			
a) Foreign Currency Translation Difference		8.45	(47.29)
b) Tax impact on above*		-	-
Total impact in FCTR		8.45	(47.29)

* No tax impact on FCTR arise due to consolidation adjustment.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

33 Earnings per Share

Particulars	FY 2020-21	FY 2019-20
a) Profit for the year (₹ in lacs)	22,313.27	18,477.39
b) Weighted average number of equity shares (Nos in lacs) *		
For calculating basic earning per share	1,475.40	1,475.34
For calculating diluted earning per share	1,476.17	1,475.34
c) Earnings per share (₹)		
Basic	15.12	12.52
Diluted	15.12	12.52

Options granted to Employees of holding company under Restricted Stock Unit Plan 2018 ("RSU 2018") are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 39.

- 34** The Group operates only in one segment, namely "Cosmetics, Toiletries and Other Personal Care products" and there are no reportable segments in accordance with Ind-AS 108 on "Operating Segments".

35 Details of CSR Expenditure

Particulars	FY 2020-21	FY 2019-20
a) Gross amount required to be spent by the Group during the year	533.37	567.38
b) Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	533.38	567.38

36 Benefits to Employees

The following table sets out the disclosure under Ind AS-19 on 'Employee Benefits':

36.1 Defined Contribution Plan

Amount of ₹ 379.41 lacs (FY 2019-20 : ₹ 385.96 lacs) is recognized as an expense and included in "Employee Benefits Expense" (refer note 27) in the Consolidated Statement of Profit and Loss.

36.2 Defined Benefit Plan

The Parent Company has defined benefit gratuity plan (funded with LIC) which is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to gratuity benefit. Liability for employee benefits has been determined by an independent actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS-19, the details of which are as hereunder:

These plans typically expose to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

	₹ in lacs	
Funded Scheme - Gratuity	FY 2020-21	FY 2019-20
(a) Liability to be recognised in Balance Sheet as at year end		
Present value of Defined Benefit Obligations	574.50	622.51
Fair value of Plan Assets	524.99	611.65
Net Liability / (Asset) (Refer Note 21)	49.51	10.86
(b) Change in Fair value of Plan Assets		
Fair value of Plan Assets as at beginning	611.65	462.28
Expected return on Plan Assets	36.18	29.59
Net actuarial gain / (Losses)	(7.79)	8.48
Contributions	50.31	144.46
Benefits paid	(165.36)	(33.16)
Fair value of Plan Assets as at year end	524.99	611.65
(c) Change in Present value of Define Benefit Obligation		
Present value of Defined Benefit Obligation as at beginning	622.51	520.51
Current Service Cost	139.32	119.31
Interest Cost	36.25	33.23
Net Actuarial losses / (gain)	(58.22)	(17.38)
Benefits paid	(165.36)	(33.16)
Present value of Defined Benefit Obligation as at year end	574.50	622.51
(d) Expenses recognised during the year		
Gratuity cost charged to Statement of Profit and Loss		
Current Service Cost	139.32	119.31
Interest Cost	0.06	3.64
Total included in Statement of Profit and Loss (note no 27)	139.38	122.95
Remeasurement gain / loss charged to OCI		
Expected return on Plan Assets	7.79	(8.48)
Actuarial changes arising from changes in demographic assumptions	-	(1.92)
Actuarial changes arising from changes in financial assumptions	2.80	30.13
Experience adjustments	(61.02)	(45.59)
Total included in OCI (note no 32)	(50.43)	(25.86)
(e) Assumptions used		
Discount rate (per annum)	6.85%	6.90%
Expected rate of return on assets (per annum)	6.85%	6.90%
Salary escalation rate (per annum)	7.00%	7.00%
Withdrawal rate	1% - 5%	1% - 5%
Mortality table	Indian Assured Lives Mortality 2012-14 Ult.	Indian Assured Lives Mortality 2012-14 Ult.
(f) Sensitivity analysis of Actuarial Assumptions		
Impact on Defined Benefit Obligation		
Discount rate 0.5% increase	-4.71%	-3.77%
0.5% decrease	5.09%	4.07%
Future Salary Increase 0.5% increase	5.06%	4.05%
0.5% decrease	-4.72%	-3.78%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

	₹ in lacs	
Funded Scheme - Gratuity	FY 2020-21	FY 2019-20
(g) Major categories of Plan Assets		
Insurer managed fund	524.99	611.66
(h) Expected benefit payout in future years		
Within the next 12 months	82.53	194.55
Between 2 and 5 years	130.08	106.59
Beyond 5 years	1,087.29	959.83
(i) The Weighted average duration of the defined benefit plan obligation at the end of the reporting period is 9.79 Years (P.Y. 7.96 years).		
(j) Expected contribution in respect of Gratuity for next year will be ₹ 20 lacs (P.Y. ₹ 20 lacs).		

Note:

- (i) The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- (ii) The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- (iii) The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.
- (iv) The sensitivity analyses shown above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

37 Leases

The Group's significant leasing arrangements are in respect of premises used for business, are accounted as a short term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 30). These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months.

38 Financial Instruments

38.1 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. Primary objective of Group's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group does not have any long term debts hence there is no capital gearing ratio. Surplus fund has been invested into risk free highly liquid financial instruments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

38.2 Categorization of Financial Instruments

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
(i) Financial Assets		
a) Investments at Fair Value Through Profit or Loss (note 6)	58,455.03	44,629.83
b) Measured at Amortised Cost		
i) Cash and Cash Equivalents (note 12)	646.32	981.42
ii) Other Bank Balances (note 13)	336.37	281.70
iii) Non Current Bank Balance (note 8)	-	39.50
iv) Loans (Current and Non Current) (note 7)	415.74	422.97
v) Trade Receivables (note 11)	2,244.83	2,554.42
	62,098.29	48,909.84
(ii) Financial Liabilities		
Measured at Amortised Cost		
i) Current Borrowings (note 17)	500.00	2,000.00
ii) Trade Payables (note 18)	6,893.81	8,112.54
iii) Other Financial Liabilities (note 19)	4,595.00	4,118.69
	11,988.81	14,231.23

38.3 Financial Risk Management Objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of the financial markets and seek to minimize the potential adverse effects on its financial performance.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity price risk. Financial instruments affected by market risk include trade receivables, deposits and current investments.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have any long term debt obligation hence not affected by interest rates fluctuations. The Group has invested its surplus funds in fixed income securities. The mark to market valuation of its portfolio is impacted by fluctuation of the interest rates.

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The Group has international business and some part of its sales are in foreign currencies which exposes to changes in foreign exchange rates. Fluctuating rupee can impact the realisation of its receivables. The Group may use various hedging instruments to hedge its foreign currency risk associated with those exposures. The maximum export sales are done on advance payment basis and outstanding export receivable are very insignificant. Hence foreign currency risk has insignificant impact on the Group.

iii) Commodity Price Risk

The Group is affected by the price volatility of its key raw materials. Its operating activities require a continuous supply of key material for manufacturing of hair oil and other cosmetic products. The Group's procurement department continuously monitors the fluctuation in price and takes necessary action to minimise its price risk exposure.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its treasury operation. The Group majorly sells its goods on advance payment basis and hence not subject to credit risk for its receivables. The Group has invested in high grade corporate bonds which have a strong track record hence the credit risk component of its investment portfolio is neutralised.

(c) Liquidity Risk

As of March 31, 2021, the Group has working capital of ₹ 57,932.72 lacs (current assets of ₹ 71,588.22 lacs including cash and cash equivalents of ₹ 646.32 lacs and current investments of ₹ 58,455.03 lacs). The Group has outstanding bank borrowings of ₹ 500 lacs as export credit which will be repaid within 6 months from export realisations. Accordingly, no liquidity risk is perceived.

38.4 Fair value Measurement

The management assessed that fair value of loans, cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

- i) The fair value of unquoted instruments are evaluated by the Group based on parameters such as interest rates and its investments rating.
- ii) The fair values of the quoted instruments are based on price quotations at the reporting date.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 as described below:

	₹ in lacs			
Assets measured at Fair value	Total	Level 1	Level 2	Level 3
As at March 31, 2021				
Current investments (quoted) (note 6.1)	58,455.03	58,455.03	-	-
Current investments (unquoted) (note 6.1)	-	-	-	-
As at March 31, 2020				
Current investments (quoted) (note 6.1)	44,628.67	44,628.67	-	-
Current investments (unquoted) (note 6.1)	1.16	-	1.16	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

39 Disclosures required pursuant to Ind AS 102 - Share Based Payment

Employee stock option plan

During the FY 18-19, the Holding Company has implemented the Bajaj Corp Employee Restricted Stock Unit Plan 2018 ("RSU 2018") which was approved by the shareholders of the Holding Company at the Annual General Meeting held on July 23, 2018 enabling the grant of 7,37,500 stock options to some of the key management employees. Pursuant to the said approval, on August 14, 2018 the Holding Company had granted 2,53,596 stock options to some key management employees of the Holding Company, at an exercise price of ₹ 1 per stock option. Out of 2,53,596 stock options 40,159 have been exercised (FY 20-21 : 5,813 nos.; FY 19-20 : 34,346 nos.) and remaining 2,13,437 options have been forfeited (FY 20-21 : 1,14,667 nos.; FY 19-20 : 98,770 nos.).

During the previous year, on February 10, 2020, the Holding Company has granted additional 167,803 stock options to key management employee, at an exercise price of ₹ 1 per stock option. Each option represents 1 equity share in the Holding Company. The vesting period is 4 years from the date of grant and the exercise period is within three years from the date of vesting.

There are no cash settlement alternatives in RSU 2018.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	₹ in lacs	
	FY 2020-21	FY 2019-20
Expense arising from equity-settled share-based payment transactions	[166.85]	129.21

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	FY 2020-21		FY 2019-20	
	Exercise Price (₹ per option)	Nos. of Option	Exercise Price (₹ per option)	Nos. of Option
Opening Balance	1.00	2,88,283	1.00	2,53,596
Granted during the year	1.00	-	1.00	1,67,803
Exercised during the year	1.00	5,813	1.00	34,346
Forfeited during the year	1.00	1,14,667	1.00	98,770
Closing balance	1.00	1,67,803	1.00	2,88,283
Vested and exercisable	-	-	-	-

Share option outstanding at the end of the year have following expiry date and exercise price:

Grant date	Expiry date	Exercise Price (₹ per option)	Share Option Outstanding	
			31-Mar-21	31-Mar-20
14-Aug-18	August 13, 2022-25	1	-	1,20,479
Weighted average remaining contractual life of the options (Years)			-	1.12
10-Feb-20	February 9, 2024-27	1	1,67,803	1,67,803
Weighted average remaining contractual life of the options (Years)			2.86	3.86

Fair value

The fair value of the share options is estimated at the grant date using Black Sholes Option Pricing Model, which takes into account the exercise price, terms and conditions of the options, the share price at grant date, expected price volatility of the underlying shares, the expected dividend yield and risk free interest rate.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

The weighted average fair value of the options granted during the year is ₹ Nil (Previous Year: ₹ 195.92) per share.

The following assumption were used for calculating fair valuation of the grants:

Particulars	10 Feb 2020	14 Aug 2018
Dividend yield	3.00%	2.50%
Expected volatility	32% PA.	24% PA.
Risk free Interest rate	5.9% PA.	7.20-7.70% PA.
Expected life of the contract	1-4 years	1-4 years
Weighted average share price (₹ per share)	221.79	420.75

The volatility in share price is estimated from the actual movement in share prices of the Holding Company over one year preceding the grant date. This historical volatility is the annualized standard deviation of the continuously compounded rates of daily stock returns.

40 Group information

Information about subsidiaries

Name of Subsidiary	Country of Incorporation	Extent of Holding	
		As at March 31, 2021	As at March 31, 2020
1. Uptown Properties and Leasing Private Limited	India	100%	100%
2. Bajaj Bangladesh Limited	Bangladesh	100%	100%
3. Bajaj Corp International (FZE)	UAE	100%	100%

41 Information for Consolidated Financial Statement pursuant to Schedule III of the Companies Act, 2013:

Particulars	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount ₹ in lacs	As % of Consolidated Profit or Loss	Amount ₹ in lacs	As % of Consolidated Other Comprehensive Income	Amount ₹ in lacs	As % of Consolidated Other Comprehensive Income	Amount ₹ in lacs
Parent								
Bajaj Consumer Care Limited	103.22%	78,146.96	100.20%	22,356.95	83.12%	41.62	100.16%	22,398.57
Subsidiaries								
A) Indian								
1. Uptown Properties and Leasing Private Limited	10.67%	8,075.44	-0.15%	(33.79)	0.00%	-	-0.15%	(33.79)
B) Foreign								
1. Bajaj Bangladesh Limited	0.02%	17.16	-0.01%	(1.29)	0.00%	-	-0.01%	(1.29)
2. Bajaj Corp International FZE	-0.47%	(354.10)	-0.07%	(15.09)	0.00%	-	-0.07%	(15.09)
Non-controlling Interests in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Consolidation Adjustments	-13.44%	(10,174.78)	0.03%	6.49	16.88%	8.45	0.07%	14.94
Total	100.00%	75,710.68	100.00%	22,313.27	100.00%	50.07	100.00%	22,363.34

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

42 Related Party Disclosure

42.1 Related Parties and Relationships

Name of the Related Party	Relationship
A The entity and the reporting entity are members of the same group	
1 Bajaj Resources Limited	Holding company (Till October 18,2019) (refer note below)
B The entity (including member of the same group) having Significant influence over the reporting entity	
1 Bajaj Resources Limited	Significant influence over the reporting entity (From October 19,2019) (refer note below)
2 KNB Enterprises LLP	Subsidiary of Bajaj Resources Limited
3 SKB Roop Commercial LLP	Subsidiary of Bajaj Resources Limited
C Key management personnel of the reporting entity or of parent of the reporting entity and their relatives	
1 Mr. Kushagra Bajaj	Chairman and Non Executive Director
2 Mr. Jaideep Nandi	Chief Executive Officer (From January 02, 2020 till June 30,2020) and Managing Director (w.e.f. July 01, 2020)
3 Mr. Sumit Malhotra	Managing Director (Till June 30,2020) and Non-Executive Director (w.e.f. July 01, 2020)
4 Mr. Aditya Vikram Somani	Independent Director
5 Mr. Gaurav Dalmia	Independent Director
6 Mr. Dilip Cherian	Independent Director
7 Ms. Lilian Jessie Paul	Independent Director
8 Mr. Dilip Kumar Maloo	Chief Financial Officer
9 Mr. Chandresh Chhaya	Company Secretary (w.e.f. February 11, 2020)
10 Mr. Makarand Karnataki	Company Secretary (Till February 10, 2020)
11 Mr. Apoorv Bajaj	Key Management Personnel
12 Mr. Ronak Kumar Modi	Key Management Personnel (Till October 18, 2019) refer note below
13 Mr. Aakash Gupta	Key Management Personnel (Till October 18, 2019) refer note below
D Entities over which persons specified above having control or significant influence	
1 Abhitech Developers Private Limited	
2 Kamalnayan Jamnalal Bajaj Foundation	
3 Bajaj Hindusthan Sugar Limited	

Note :- Bajaj Resources Limited has sold 3,22,65,100 Equity Shares of the Company on October 18, 2019 resulting into reduction of equity holdings from 59.92% to 38.04%. Accordingly, w.e.f. October 19, 2019, Bajaj Resources Limited ceases to be the Holding Company of the Company and it become an entity having significant influence over the Company.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

42.2 Transactions during the year with Related Parties:

₹ in lacs

S No	Nature of Transaction	Holding company	Entity having Significant Influence over the Company	Key management personnel	Entities specified in D	Total
A. Statement of Profit and Loss						
1	Dividend Paid	-	4,490.00	2.52	-	4,492.52
		(-)	(-)	(-)	(-)	(-)
2	Royalty Expense	-	887.85	-	-	887.85
		(-)	(796.00)	(-)	(-)	(796.00)
3	Rent Expenses	-	88.11	-	11.21	99.33
		(43.29)	(37.08)	(-)	(10.08)	(90.45)
4	Purchase of Goods	-	-	-	229.86	229.86
		(-)	(-)	(-)	(-)	(-)
5	Remuneration	-	-	987.68	-	987.68
		(-)	(-)	(979.34)	(-)	(979.34)
6	Retirement benefits (Gratuity)	-	-	121.52	-	121.52
		(-)	(-)	(-)	(-)	(-)
7	Share based payments	-	-	-	-	-
		(-)	(-)	(0.31)	(-)	(0.31)
8	Sitting Fees paid	-	-	11.00	-	11.00
		(-)	(-)	(9.65)	(-)	(9.65)
9	Professional Fee Paid	-	-	112.50	-	112.50
		(-)	(-)	(-)	(-)	(-)
10	Corporate Social Responsibility	-	-	-	533.38	533.38
		(-)	(-)	(-)	(567.38)	(567.38)
B. Balance Sheet						
1	Security Deposit taken and refunded for appointment of Director	-	1.00	-	-	1.00
		(-)	(-)	(-)	(-)	(-)

(Figures in bracket are for previous year)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

42.3 Outstanding Balances

Particulars	₹ in lacs	
	As at March 31, 2021	As at March 31, 2020
Entity having Significant Influence over the Company		
(i) Royalty	821.26	716.40
Entities specified in D		
(i) Rent	0.97	-
Key management personnel of the reporting entity		
(i) Remuneration	-	39.62

43 Figures have been regrouped/rearranged wherever necessary.

44 This Consolidated Financial Statements for the year ended March 31, 2021 were approved by the Board of Directors on April 19, 2021.

As per our report of even date
For **Sidharth N Jain & Company**
Chartered Accountants
Firm's Registration No.: 018311C

Sidharth Jain

Proprietor
M. No. 134684

Place : Surat
Date : April 19, 2021

For and on behalf of the Board

Kushagra Bajaj

Chairman
DIN 00017575

Lilian Jessie Paul

Director
DIN 02864506

Sumit Malhotra

Director
DIN 02183825

Place : Mumbai
Date : April 19, 2021

Jaideep Nandi

Managing Director
DIN 06938480

Aditya Vikram Somani

Director
DIN 00046286

D.K. Maloo

Chief Financial Officer

Dilip Cherian

Director
DIN 00322763

Gaurav Dalmia

Director
DIN 00009639

Chandresh Chhaya

Company Secretary
M.No. 4813

Form AOC-1

(Pursuant to First Proviso to Sub-Section (3) of Section 129 Read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing Salient Features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures

Part A Subsidiaries

(Information in respect of each Subsidiary to be presented with Amounts in ₹ lacs)

Sr. No.	Particulars	Name of the Subsidiary(ies)		
		Uptown Properties & Leasing Private Limited	Bajaj Bangladesh Limited	Bajaj Corp International (FZE)
1	Reporting period for the Subsidiary(ies) concerned, if different from the Holding company's Reporting Period	Not Applicable	Not Applicable	Not Applicable
2	The date since when subsidiary was acquired	10th Sep 2011	9th Dec 2012	23rd Dec 2013
3	Reporting Currency and Exchange Rate as on the last date of the Relevant Financial Year in the case of Foreign Subsidiaries	INR	BDT; INR 0.8635 per BDT	AED; INR 19.9081 per AED
4	Share Capital	222.81	421.47	1,104.90
5	Reserves and Surplus	7,852.63	(404.31)	(1,459.00)
6	Total Assets	8,146.32	17.74	177.40
7	Total Liabilities	70.88	0.58	531.50
8	Investments	NIL	NIL	NIL
9	Turnover	NIL	NIL	1,283.34
10	Profit before taxation	(45.50)	(1.35)	(15.09)
11	Provision for taxation	(11.71)	(0.06)	NIL
12	Profit after taxation	(33.79)	(1.29)	(15.09)
13	Proposed Dividend	NIL	NIL	NIL
14	% of Shareholding	100%	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

Part B Associates and Joint Ventures

Statement Pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1	Latest Audited Balance Sheet Date	NIL	NIL	NIL
2	Date on which the Associate or Joint Venture was associated or Acquired	NIL	NIL	NIL
3	Shares of Associate or Joint Ventures held by the Company on the year end No.	NIL	NIL	NIL
	Amount of Investment in Associates or Joint Venture			
	Extent of Holding (in percentage)			
4	Description of how there is Significant Influence	NIL	NIL	NIL
5	Reason why the Associate/Joint Venture is not consolidated	NIL	NIL	NIL
6	Net Worth attributable to Shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
7	Profit or Loss for the year	NIL	NIL	NIL
	i. Considered in Consolidation			
	ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Jaideep Nandi
Managing Director
DIN 06938480

Dilip Cherian
Director
DIN 00322763

Lilian Jessie Paul
Director
DIN 02864506

Aditya Vikram Somani
Director
DIN 00046286

Gaurav Dalmia
Director
DIN 00009639

Sumit Malhotra
Director
DIN 02183825

D.K. Maloo
Chief Financial Officer

Chandresh Chhaya
Company Secretary
M.No. 4813

Place : Mumbai
Date : April 19, 2021

Notice

NOTICE is hereby given that the 15th Annual General Meeting (AGM) of the Members of Bajaj Consumer Care Limited will be held on Monday, June 21, 2021 at 11.00 A.M. (IST) by Video Conferencing (VC) / Other Audio-Visual Means ("OAVM") to transact the following business: -

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

- (a) "RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
- (b) "RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To (a) confirm/ratify interim dividend and (b) to declare a final dividend on equity shares for the financial year ended March 31, 2021 and, in this regard, pass the following resolution as Ordinary Resolutions:

- (a) "RESOLVED THAT an interim dividend at the rate of ₹ 6 /- (Six rupees only) per equity share of ₹ 1/- (One rupee) each fully paid-up of the Company declared for the financial year ended March 31, 2021 and the same be and is hereby confirmed and ratified for financial year ended March 31, 2021."
- (b) "RESOLVED THAT final dividend at the rate of ₹ 4 /- (Four rupees only) per equity share of the face value of ₹ 1/- (One rupee) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2021 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2021."

3. To appoint a Director in place of Mr. Kushagra Bajaj (DIN: 00017575), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Kushagra Bajaj (DIN: 00017575), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. To consider continuation of payment of Remuneration to Mr. Sumit Malhotra (DIN:02183825), Non-Executive, Non-Independent Director and in this regard, to pass, the following resolution as a Special Resolution: -

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(c)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval of the members of the Company be and is hereby accorded for payment of remuneration of ₹ 1,50,00,000 (Rupees One Crore Fifty Lac only) per annum excluding Goods & Service Tax as may be applicable by way of a monthly payment to Mr. Sumit Malhotra (DIN: 02183825), Non-Executive, Non-independent Director of the Company with effect from July 1, 2021 for a period of one (1) year."

By Order of the Board of Directors

Chandresh Chhaya

Company Secretary

Membership No.: FCS4813

Place: Mumbai

Dated: April 19, 2021

Registered Office:

Old Station Road,
Sevashram Chouraha
Udaipur 313 001
Rajasthan

NOTES:

- a) Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting" / e- AGM) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, SEBI Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. The Company has made arrangements through KFin Technologies Private Limited (KFin), Registrars and Transfer Agents, to provide Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for the Annual General Meeting and for conducting of the e-AGM. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- a) Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
- b) Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- c) Corporate Members intending to depute their authorised representatives to attend the Meeting through VC/ OAVM are requested to send to the Company a certified

true copy of the Board Resolution together with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote at the Meeting on their behalf.

- d) In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
- e) In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Kushagra Bajaj (DIN: 00017575), (also referred as Mr. Kushagra Nayan Bajaj in this Annual Report at many places) Director, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends the aforesaid re-appointment. As per explanation to Section 152(6)(e) of the Companies Act, 2013, total number of Directors for the purpose of determining Directors liable to retire by rotation shall not include Independent Directors, whether appointed under the Companies Act, 2013 or any other law for the time being in force.

Information of Director proposed to be re- appointed at the forthcoming Annual General Meeting as required by Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings is provided in the annexure to the Notice. The Director has furnished the requisite declarations for his re-appointment, as applicable.

- f) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested are available for inspection by the Members electronically from the date of circulation of this Notice up to the date of the 15th AGM.
- g) The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, June 15, 2021 to Monday, June 21, 2021 (both days inclusive) for the purpose of 15th AGM of the Company.
- h) The Board of Directors has recommended a Final Dividend of 400 % (i.e. ₹ 4/- per equity share of ₹ 1/- each) for the Financial year ended 31st March 2021 subject to approval of the Shareholders at the ensuing Annual General Meeting. The Dividend, if approved by the members at the ensuing Annual General Meeting will be paid to those shareholders whose names stand registered:

i) As beneficial owners as at the end of business on Monday, June 14, 2021 as per list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic form, and

ii) As members in the Register of Members of the Company after giving effect to valid transmission/transposition in physical form lodged with the Company's Registrar and Share Transfer Agent (RTA) M/s. KFin Technologies Private Limited, Selenium Tower B, Plot No.31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, on or before the aforesaid date i.e. Monday, June 14, 2021. The transmission/transposition requests complete in all respects should reach the Registrar and Share Transfer Agent well before the above date.

Members holding shares in physical form are requested to send all the communications pertaining to shares of the Company including intimation of changes pertaining to their bank account details, mandates, nominations, change of address, e-mail Id etc., if any, immediately to the Company's Registrar and Share Transfer Agent (hereinafter referred to as "RTA") i.e. KFin Technologies Private Limited, Unit : Bajaj Consumer Care Limited, Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana. Toll Free No. : 1800-3094-001 Email Id: einward.ris@kfintech.com. Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants (DPs) only.

j) Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled into the RTA of the Company. Members holding shares in electronic mode may contact their respective DPs for availing this facility.

k) SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to provide their PAN details to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.

l) Members of the Company are requested to note that as per the provisions of Section 124 of the Companies Act,

2013, dividends not en-cashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

m) The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed/ un-claimed dividend to IEPF are furnished hereunder:

Dividend for the Financial Year	Date of Declaration of Dividend	Tentative Date of transfer to the IEPF
2014-2015	October 16, 2014	November 21, 2021
2015-2016	January 7, 2016	February 12, 2023
2016-2017	January 12, 2017	February 18, 2024
2017-2018	January 11, 2018	February 16, 2025
2018-2019	January 9, 2019	February 14, 2026
2019-2020	September 21, 2020	October 27, 2027
2020-2021	February 03, 2021	April 10, 2028

Members who have not encashed/claimed the dividend warrant(s) so far in respect of the above Financial Years are, therefore, requested to make their claims to the RTA of the Company well in advance of the above tentative dates

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

Members/claimants whose shares and/or unclaimed dividend have been transferred to the Fund, may claim the shares or apply for refund by making an application to IEPF Authority in Form No. IEPF-5 (available on www.iepf.gov.in) along with requisite fees as decided by the Authority from time to time. Members/claimants can file only one consolidated claim in a Financial Year as per IEPF Rules. The Company and IEPF Authority shall deal with the application in the manner provided in IEPF Rules.

It is in the Members interest to claim any un-cashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members account on time.

The Company for claiming the dividend for the aforesaid years. The details of the unclaimed

dividends are available on the Company's website at www.bajajconsumercare.com and Ministry of Corporate Affairs at www.mca.gov.in.

- n) In accordance with, the General Circular No. 20/2020 dated May 05, 2020 issued by MCA, read with circulars no. 14/2020 dated April 8, 2020, no. 17/20 dated April 13, 2020 and no. 02/21 dated January 13, 2021, Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

As physical copies of the Annual Report 2020-21 will not be sent by the modes permitted under Companies Act, 2013, the Annual Report is available on the Company's website at <https://www.bajajconsumercare.com>. for those members whose email ids are not registered with the Company/ KFin.

Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a Financial Year to the Members to register his/her e-mail Ids and any changes therein. In accordance with the said requirements, we request the Members who do not have their e-mail Ids registered, get the same registered with the Company or changes therein by submitting a duly filled-in 'E-communication Registration Form' appended to this Annual Report as well as available on the Company's website at <https://www.bajajconsumercare.com> under the heading "Investors" by the name "E-Communication Registration Form". Alternatively, those shareholders who have not yet registered their email address are requested to get their email addresses registered with their DP or RTA at the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for electronic and Physical folios respectively.

- o) Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, June 14, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date will be paid the Final Dividend for the financial year ended 31st March, 2021, as recommended by the Board, if approved at the AGM, on or after Wednesday, June 30, 2021.

Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to KFin Technologies Private Limited (KFin), Registrar and Share Transfer Agent of the Company or immediately by sending a request on email at complianceofficer@bajajconsumer.com or contact KFin at einward.ris@kfintech.com. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal services, dispatch the dividend warrant to such shareholder by post.

Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandated that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.

- i) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2021-22 provided PAN is registered by the Shareholder. If PAN is not registered/ invalid/ mismatched with name of members, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by them during financial year 2021-22 does not exceed ₹ 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2021-22.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- ii) For Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
- Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
- Self-declaration, certifying the following points:
 - a. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2021-22.
 - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company.
 - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner.
 - iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
 - v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2021-22.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and submitted by Non- Resident shareholder. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above before Monday, June 14, 2021.

Kindly note that the aforementioned documents are required to be submitted at <https://ris.kfintech.com/form15> on or before Thursday, June 10, 2021 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post Thursday, June 10, 2021. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

We shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course Also the TDS so deducted shall be reflected in Form 26AS against respective PAN, post payment of the said Dividend.

- p) Members desiring any information with regard to financial statements are requested to write to the Company at an early date so as to enable the management to keep the information ready.
- q) Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarification(s), exemption(s), re-enactment(s) or substitution(s) thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company is providing to its Members facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") using an electronic voting system provided by KFin Technologies Private Limited (KFIN) as an alternative for all Members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of AGM and the business may be transacted through such remote e-voting. For voting electronically, the process and

manner for generating/receiving the password and to cast vote(s) in a secure manner, the Members are requested to take note of the following:

- a) The remote e-voting period commences on Thursday, June 17, 2021 at 9.00 A.M. and ends on Sunday, June 20, 2021 at 5.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Monday, June 14, 2021, may cast their vote by electronic means in the manner and process set out hereinbelow. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, if held at the Meeting.
- b) The voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut-off date, being Monday, June 14, 2021.
- c) Once the vote on a resolution is cast by a Member through remote e-voting, he/ she/it shall not be allowed to change it subsequently.

Any person, who acquires shares and becomes Member of the Company after dispatch of Notice of AGM and holding shares as on the cut-off date, i.e. Monday, June 14, 2021, may refer to this Notice of AGM of the Company, posted on Company's website at www.bajajconsumercare.com for detailed procedure with regard to remote e-voting. Any person, who ceases to be the Member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- d) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of Insta Poll at the AGM for the Members attending the meeting who have not cast their vote by remote e-voting. In case of voting by Insta Poll at the AGM, the voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the date of Book Closure.
- e) A Member may participate in the AGM even after exercising his right to vote through remote e-voting but cannot vote again at the AGM.

- f) If a Member cast votes by both modes i.e. remote e-voting and Insta Poll at the AGM, then voting done through remote e-voting shall prevail and Insta Poll shall be treated as invalid.

The instructions for remote e-voting are as under:

For Non Individual Shareholders and Shareholders holding shares in physical form:

- A. In case a Member receiving Notice of AGM by email from KFin [for Members whose email Ids are registered with the Company/ Depository Participant(s)]:

Launch internet browser by typing the URL: <https://evoting.kfintech.com>.

- i) Enter the login credentials (i.e., User ID and Password). In case of physical folio, user ID will be EVEN Number 5912 followed by Folio No. In case of Demat Account, user ID will be your DP ID and Client ID. However, if you are already registered with KFin for remote e-voting, you can use your existing User ID and password to cast your vote.
- ii) After entering these details appropriately, Click on "LOGIN".
- iii) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email Id, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- iv) You need to login again with the new credentials.
- v) On successful login, the system will prompt you to select the "EVENT" i.e., Bajaj Consumer Care Limited.
- vi) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/ AGAINST" or alternatively, you may partially enter any

number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned therein. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- vii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.

viii) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

- ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
- x) A confirmation window will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they confirm voting on the Resolution(s).

The instructions for remote e-voting are as under for Individual Shareholders holding shares in demat mode:

As per the SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

NSDL	CDSL
<p>1. User already registered for IDeAS facility: **</p> <p>I. URL: https://eservices.nsdl.com</p> <p>II. Click on the "Beneficial Owner" icon under 'IDeAS' section.</p> <p>III. On the new page, enter existing User ID and Password. Post successful authentication, click on "Access to e-Voting"</p> <p>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p> <p>2. User not registered for IDeAS e-Services</p> <p>I. To register click on link : https://eservices.nsdl.com (Select "Register Online for IDeAS")</p> <p>or</p> <p>https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>II. Proceed with completing the required fields.</p> <p><small>**[Post registration is completed , follow the process as stated in point no.1 above]</small></p>	<p>1. Existing user who have opted for Easi / Easiest **</p> <p>I. URL: https://web.cdslindia.com/myeasi/home/login</p> <p>or</p> <p>URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with user id and password.</p> <p>IV. Option will be made available to reach e-Voting page without any further authentication.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p><small>**[Post registration is completed , follow the process as stated in point no.1 above]</small></p>

NSDL	CDSL
<p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <ol style="list-style-type: none"> URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 	<p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <ol style="list-style-type: none"> URL: www.cdslindia.com Provide demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Individual Shareholders (holding securities in demat mode) login through their depository participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail Id: prasanjit@gbcs.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."

In case a person has become the Member of the Company after the dispatch of Notice of AGM

but on or before the cut-off date Monday, June 14, 2021, may write to KFin on the email Id: evoting@kfintech.com or to Ms. C. Shobha Anand, General Manager, KFin Technologies Private Limited, Unit: Bajaj Consumer Care Limited, Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, Toll Free No. : 1800-3454-001, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.

B. INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE e-AGM THROUGH VIDEO CONFERENCE / OTHER AUDIO-VISUAL MODE:

- i. Attending the e-AGM: Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
- ii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- iii. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Facility of joining the AGM through VC / OAVM shall be open 15 minutes before the time scheduled for the AGM.
- vi. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

Submission of Questions / queries prior to e-AGM:

Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's email-id i.e. complianceofficer@bajajconsumer.com at least 2 days before the date of the 15th AGM, so as to enable the Management to keep the information ready. Please note that, member's questions will be answered only if they continue to hold the shares as of cut-off date. Alternatively, shareholders holding shares as on cut-off date may also visit <https://evoting.kfintech.com/> and click on the tab "Post Your Queries Here" to post

their views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e-AGM.

Speaker Registration before e-AGM:

Shareholder who wishes to register as speakers are requested to visit <https://emeetings.kfintech.com/> the shareholders are requested to get registered themselves between June 17, 2021 (09.00 Hours IST) and June 18, 2021 (17.00 Hours IST).

Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM at https://emeetings.kfintech.com by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.

Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

Members who need technical assistance before or during the AGM, can contact KFin at <https://evoting.kfintech.com/>

Corporate members intending to send their authorized representatives to attend the Annual General Meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") pursuant to the provisions of Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution to the Company.

INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION-INSTA POLL:

1. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
3. Members / shareholders, attending the e-AGM through Video Conference and who have not cast

their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM.

4. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.

- C. In case of Members whose email Ids are not registered with the Company/ Depository Participant(s)]:

Please visit Help & FAQ's section of <https://evoting.kfintech.com>.

- D. The Company has appointed Mr. Prasanjit Kumar Baul, (Membership No. A34347) or failing him Mr. Hitesh Gupta (Membership No. A33684) Company Secretaries in Practice, as the Scrutinizer to scrutinize the remote e-voting and voting by way of Polling Paper/ Ballot Paper in a fair and transparent manner.

- E. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman or any other person authorised by him shall declare the result of the voting forthwith.

- F. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s).

The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at www.bajajconsumercare.com and Service Provider's website at <https://evoting.kfintech.com> and the communication will be sent to the BSE Limited and National Stock Exchange of India Limited.

STATEMENT ANNEXED TO THE NOTICE AND SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS.

Item No. 4: Continuation of Payment of Remuneration to Mr. Sumit Malhotra, Non-Executive, Non-Independent Director

As you are aware, Mr. Sumit Malhotra (DIN: 02183825) who was the Managing Director of the Company since August 8, 2016, had volunteered to demit executive responsibilities

of the Company with effect from June 30, 2020 as a part of succession plan. However, the Board of Directors had, on the recommendation of the Nomination & Remuneration Committee at the Board meeting held on June 16, 2020, decided to take advantage of the continued advice and guidance of Mr. Sumit Malhotra in the Company's growth strategy and appointed him as Non – Executive Director and designated him as Director and Advisor with effect from July 01, 2020 for a period of 5 years subject to approval of members.

The Board had also, on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the members of the Company, approved payment of remuneration to Mr. Sumit Malhotra in his capacity as Non-executive Director. Subsequently, the Members of the Company had at the 14th Annual General Meeting of the Company held on September 21, 2020, ratified change of Mr. Malhotra's designation and the payment of remuneration of ₹ 1,50,00,000 per annum excluding Goods & Service Tax as may be applicable, payable to Mr. Sumit Malhotra for a period of five years commencing from July 01, 2020.

Regulation 17(6)(c)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended with effect from April 01, 2019, mandates a Company to obtain consent of the Members by way of Special Resolution if the remuneration payable to a single Non-Executive Director in a year exceeds fifty per cent of the aggregate remuneration payable to all Non-Executive Directors taken together. At present, other non-executive directors of the Company, except Mr. Malhotra, are not entitled to any remuneration. Approval of Members by way of a Special Resolution is sought, to the resolution as set out at Agenda Item No 4 of the notice, approving the aforesaid annual remuneration payable to Mr. Sumit Malhotra for a period of one (1) year effective July 1, 2021, which will exceed fifty percent of the total annual remuneration payable to all non-executive directors.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Sumit Malhotra are interested or concerned, financially or otherwise in the Resolution set out at Item No. 4. The Board recommends the Special resolution set out at Item No. 4 of the Notice for approval of the Members.

By Order of the Board of Directors

Chandresh Chhaya

Company Secretary

Membership No.: FCS 4813

Place : Mumbai

Dated : April 19, 2021

ANNEXURE TO ITEM NO. 3 OF THE NOTICE DATED APRIL 19, 2021

The following information about Mr. Kushagra Bajaj is provided pursuant to Regulation 36(3) of SEBI LODR and Secretarial Standard – 2:

Name of the Director	Mr. Kushagra Bajaj
Director Identification Number (DIN)	00017575
Designation	Chairman
Date of Birth	04.02.1977
Age	44 Years
Nationality	Indian
Date of first appointment on the Board	14.09.2009
Date of re-appointment by the Members	15.07.2019
Qualifications	Bachelor of Science (Hons.) degree in Economics, Political Philosophy and Finance from the Carnegie Mellon University, Pittsburgh, USA. Master of Science degree in Marketing from the Northwestern University, Chicago, USA.
Expertise in functional area	Mr. Bajaj has more than 20 years of experience in the consumer and sugar industry.
Number of Equity Shares held in the Company as on 31.03.2021	Nil
List of Directorships and Committee Memberships held in other entities as on 31.03.2021	Directorships: <ol style="list-style-type: none"> 1. Bajaj Hindusthan Sugar Limited 2. Bajaj Energy Limited 3. Lalitpur Power Generation Company Limited Committee Positions: Bajaj Hindusthan Sugar Limited: <ol style="list-style-type: none"> 1. Risk Management Committee 2. Corporate Social Responsibility Committee 3. Stakeholders Relationship Committee
Number of Board Meetings attended during the year	5
Relationship with other Directors, Manager and KMP	Nil
Remuneration Last Drawn	He is not drawing any remuneration except sitting fees for attending Board and Committee Meetings.
Terms and conditions of appointment	Liable to retire by rotation.

bajaj CONSUMER CARE

CIN: L01110RJ2006PLC047173

Registered office: Old Station Road, Sevashram Chauraha, Udaipur - 313 001, Rajasthan.
Website: www.bajajconsumercare.com | Email: complianceoffice@bajajconsumer.com